Daily Report

Latin America

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FBIS-LAT-94-036 *23 February 1994*

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Cuba

Commentary Assesses Speech by U.S. Southern Command Chief

PA2302043194 Havana Radio Havana Cuba in Spanish 0100 GMT 23 Feb 94

["Our America" commentary by Manolo Ortega; from the "Evening Information Review" newscast]

[Text] General Barry McCaffrey, a veteran of many wars, has just become the new chief of the U.S. Southern Command, replacing another general, George Joulwan. In his assumption of command speech, the new chief of this strategic territory stated among other things that terrorism and drug trafficking continue to undermine Latin American democracies. One can expect almost anything from a U.S. general (?on active duty) except that he be so misinformed. Perhaps, however, McCaffrey's remarks were part of the profession of faith of the bullheaded U.S. military, whose only current mission seems to be meddling in the internal affairs of other countries while always seeking a pretext to conceal the ploy.

What fundamentally undermines the democracies in America is the indiscriminate implementation of neoliberal policies that have plunged the people into edginess over poverty and the possibility of losing their jobs. Despite being elements of destabilization, terrorism and drug trafficking have less bearing on the internal situation of the Latin American nations than the adjustment plans. Moreover, if indeed drug trafficking and terrorism stemming from drug trafficking played a key role in destabilizing governments, countries such as the United States would carry a large share of the responsibility, primarily because U.S. drug demand is the greatest in the world.

One really has to read between the lines in McCaffrey's speech—mainly when he says his purpose in the Southern Command is to continue establishing ties of cooperation in the entire Latin American region to promote and consolidate security. In general terms, those ties of cooperation take the form of dispatching U.S. troops from the Southern Command, which is headquartered in Panama, to various countries. Once there, they conduct missions of repression, such as the ones conducted periodically in Bolivia and other nations to eradicate the coca crop.

More often that not, U.S. soldiers conduct these tasks in the company of local troops. This is often a mere formality, because the one taking the lead in planning the repression is the U.S. side. In recent years, however, U.S. Army troops have tried to disguise their interventionist ploys using the pretext of social assistance—namely, the construction of bridges and roads and the repair of this or that rural school, tasks that do not hide their true intentions. Today, under different pretexts, U.S. troops are deployed in remote and rugged areas of Latin American nations. The speech about cooperation does not deceive anyone today, because the United States has always had the ambition to control everything in our nations.

In addition, Gen. McCaffrey, whose past is linked to U.S. military intervention in Vietnam and Iraq, knows he is the appropriate figure to hold the post of chief of the Southern Command. Fortunately, the meddling incursions of the U.S. military from the Southern Command will exist for only five more years, because on 31 December 1999, the Torrijos-Carter treaties signed in 1977 should begin to take effect, which will put an end to the U.S. presence in Panama and will return the nation's interoceanic waterway to the Panamanians.

Russian Deputy Minister Offers To Help With Problems

PA2202193094 Paris AFP in Spanish 1707 GMT 22 Feb 94

[Text] Panama City, 22 Feb (AFP)—Today, Russian Deputy Foreign Minister George Mamedov favored a "peaceful solution" to the Cuban crisis, and said his country could be "very useful" in a negotiated settlement in the island. Mamedov, who arrived in Panama on Monday for an official three-day visit, told the press the Cuban Government's decision to invite the opposition to a political dialogue was "very correct."

Mamedov, who, today, signed an agreement of understanding and political consultation with Panamanian Foreign Minister Jose Mulino, said: "Russia can be very helpful in solving Cuba's problems."

Mulino told reporters that Panama "looks favorably on" the position of the Cuban Government, which recently invited approximately 80 groups of exiled Cubans to a meeting to be held in Havana by late April. "We hope all involved parties can attend and the Cubans can attain a Cuban-style solution," he said.

Fidel Castro Meets With Canarian President

FL2202193794 Havana Radio Rebelde Network in Spanish 1800 GMT 22 Feb 94

[Text] Commander in Chief Fidel Castro has met with Manuel Hermoso Rojas, president of the government of the autonomous region of the Canary Islands, and his delegation to discuss issues of interest to both regions. Carlos Lage, Osmany Cienfuegos, Jose Ramon Fernandez, and other officials were also in attendance. Since 18 February, Hermoso Rojas has been following a busy agenda. Cuba has a large community of Canarians and their descendants.

Canary Island Delegation Signs Cooperation Accord

FL2202165394 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 22 Feb 94

[Text] After two days of private meetings, Manuel Hermoso Rojas, president of the government of the autonomous region of the Canary Islands, and his delegation will reembark on 22 February on an agenda of official activities in Havana. Hermoso Rojas arrived in Havana

on 16 February at the invitation of the Cuban Government. During their visit, the Canary Islands delegation has followed a busy schedule that included a visit to Jose Marti's home, the inauguration of the new headquarters of the Leonor Perez Cabrera Canarian Association, and the signing of a cooperation accord with the People's Government of Havana under which the Canarian Government pledges to help in the renovation of Leonor Perez Street and El Malecon.

Before concluding its visit on 23 February, the delegation is scheduled to visit a polyclinic and a family doctor's office.

Cuba Signs Trade Agreement With Buenos Aires Province

PA2202220694 Havana Radio Havana Cuba in Spanish 0000 GMT 19 Feb 94

[From the "Evening Information Review" newscast]

[Text] Cuba and the Argentine Province of Buenos Aires have signed in Havana an exchange agreement to the amount of $50 million for each party. The agreement promotes an increase in the bilateral commercial relations based on products and services.

Cuba, for its part, will provide assistance and medications, as well as training personnel for primary health care, while Buenos Aires Province will provide food products to the island.

Robaina Tours Ambassadors Through Central Provinces

PA2102155294 Madrid EFE in Spanish 2039 GMT 20 Feb 94

[Report by Marisol Marin]

[Text] Cienfuegos, Cuba, 20 Feb (EFE)—Cuban Foreign Minister Roberto Robaina, 38, seems firmly determined to break ministry traditions with the use of his own style that sometimes surprises others, but which, he says, obeys the need to launch a "diplomatic offensive."

At the end of a tour of Cuban central provinces, Robaina explained to a group of newsmen that "Cuba is not just Havana; we must show the world what the rest of the country is, and for that, we must wage diplomacy in accordance with our times."

For the second time since he was appointed minister, a little less than 1 year ago, this time, Roberto Robaina invited the diplomatic corps accredited in the island to go on a three-day tour through Villa Clara, Sancti Spiritus, and Cienfuegos Provinces. With the minister leading them, the ambassadors visited everything from a military industrial plant to a mule breeding farm, peasant communities, child care centers, an agricultural school, an imposing raw sugar storage center, among other things.

Robaina insists that all of this is necessary because "Cuba's image abroad is frequently distorted, and that is why we must show the world the truth of our situation." In this manner, the ambassadors learned that the Armed Forces has not only reduced its expenses but it is using part of the military industry for civilian purposes in order to make some business and obtain benefits.

At the "Comandante Ernesto Guevara" military enterprise in Villa Clara Province, General Luis Perez Rospide explained that this factory not only produces conventional armament and cartridges, but also kitchen equipment for tourist installations as well as plows and wagons for farmers' use. The general emphasized that this industry is open to foreign investment and, of course, to the possibility of forming a mixed association for obtaining technology, market, and capital. "What I need are clients," said the general, "and we are willing to manufacture any product here which is within our possibilities and which is good business."

The diplomats were then taken to a peasant community in the Escambray mountain range where they received a long explanation of what the Turquino Plan for mountain agriculture is, which—according to the people in charge of this program—has obtained "great results" and prevented migration from the mountains to the cities. Obviously, the speakers were always local authorities who occasionally made some criticized the inefficient work of past times when Cuba was closely linked to the former USSR, and they always concluded with some statement along the lines that "we will get ahead."

In Cienfuegos, one of the most beautiful and developed cities of the island thanks to the established industrial capacity, even though many industries remain idle, the diplomatic corps specifically asked about the fate of the Electronuclear Plant, the construction of which was halted a little over 18 months ago due to a lack of resources from both Russia as well as Cuba. Manuel Menendez Castellanos, party secretary in the province said "that plant is a plum," after explaining that there are "at least 30 countries" interested in that installation because "it has been proven to be well built and in excellent condition." Menendez went on to say "the problem is that a large investment must be made and the negotiations are very complex," but he did not explain which the countries have been contacted.

The tour not only included visits and explanations, but also nights for dancing in which the ambassadors danced up a storm. Even the foreign minister showed he could move to the rhythm of salsa music like any other Cuban. His demonstration was brief, but sufficient. "Believe it or not, these things ease tensions and relations," a Robaina adviser told the newsmen.

At the end of this tour, some said it was worthwhile because, in general, the chiefs of diplomatic missions are too secluded in Havana while others, a few of them, thought it was a waste of time.

Does Not Oppose Return to OAS

FL2202032494 Havana Radio Rebelde Network in Spanish 0000 GMT 22 Feb 94

[Interview with Foreign Minister Roberto Robaina by Rebelde journalist Roberto Cavada; place and date not given—recorded]

[Text] As our listeners will recall, our colleague Jose Mejia recently interviewed OAS Secretary General Joao Baena Soares on this same newscast. On that occasion, Baena Soares confirmed to Mejia, and of course the millions of Exclusivo listeners, his proposal, before a special session of the OAS in Mexico, that Cuba's return to such an important continental forum be discussed.

In an exclusive [interview], Cuban Foreign Minister Roberto Robaina has given the Exclusivo newscast his opinion on this matter.

[Begin recording] [Robaina] There is a much more fundamental problem involved. We... [rephrases] I mean, we were expelled. It is up to those who expelled us to say whether or not they think the conditions exist. We have always had our own opinion on that expulsion, and about the cause that [word or words indistinct]. If the countries and the basic scene from which we were expelled consider that it is time for Cuba... [changes thought] but not because it has lost or gained any conditions, or credibility. (?If) that is not the (?cause), but rather because they think a country such as ours should not be absent from an institution of that type, an institution with such characteristics—which is what we think—it is not Cuba that is going to set up obstructions.

I am grateful for the pronouncement that has been made, and I think it is also part of the new space, the space that Cuba—through its work, and through its truth, and through its virtues and defects—has opened up for itself in the America to which we belong.

[Cavada] And how does Cuba feel about the proposal of Gaviria as president of the OAS?

[Robaina] I think that a country that is not in the OAS does not have the right to an opinion regarding who is the best or worst candidate. It seems to me that we are all at present looking at the possibilities; and President Gaviria is undoubtedly a person who is concluding a mandate, concluding a responsibility. He is a person with a history, a point of reference, and some results. I am absolutely convinced that the members of that institution will know how to evaluate who the best person for president is. [end recording]

Those were exclusive statements by Cuban Foreign Minister Roberto Robaina Gonzalez regardng opinions expressed over this same newscast by OAS Secretary General Joao Baena Soares having to do with his proposal that the return of Cuba to such an important continental forum be discussed.

This is Roberto Cavada wishing you a good evening, Cubans.

Robaina, Foreign Journalists Tour Tobacco Lands

FL2302030594 Havana Cuba Vision Network in Spanish 0100 GMT 23 Feb 94

[Text] Cuban Foreign Minister Roberto Robaina toured tobacco-growing areas of Pinar del Rio in the company of foreign journalists accredited in Cuba. They were received by students and workers from the Federico Engels Pre-University Vocational Exact Sciences Institute, with whom they discussed the teaching system used at this center as part of the revolutionary education [program], linking study with work.

In foreign policy we work from the basis of what is done in the interior of the country, and tobacco is one of the principal scenes. That is why we are here—said Minister Robaina, upon visiting tobacco fields in San Juan [y Martinez] and San Luis Municipalities. On that occasion, he and those accompanying him spoke with mobilized workers, volunteers, and Havana students who are fulfilling their phase of the School-in-the-Fields plan.

This province produces 70 percent of Cuba's tobacco, a product that brings approximately $100 million to the the national economy. This year, the people of Pinar del Rio have planted 1,800 caballerias of tobacco, from which they expect to harvest approximately 470,000 quintals of a quality far higher than that seen in recent times.

After spending an entire day with us in Pinar del Rio, these colleagues of the press have had an opportunity to get to know the reality of the Cuban people more closely.

Kiev, Havana City Sign Friendship, Cooperation Agreement

FL2202145194 Havana Radio Rebelde Network in Spanish 1255 GMT 22 Feb 94

[Text] With the signing of a friendship accord with Havana City on 21 February, Cuba became the first Latin America country to conclude a cooperation agreement with Kiev. Leonid Kosakivsky, mayor of Kiev and envoy of the Ukrainian president, expressed his satisfaction with the accord, which will promote contacts between economic sectors, as well as the exchange of information and experiences in science, urban planning, construction, public health, the environment, culture, and professional education. At the ceremony last night at the former home of General Maximo Gomez in La Quinta de los Molinos, Havana, Pedro Chavez, president of the People's Administration Council, presented the distinguished guest award to Kosakivsky.

Mexican Ambassador-Designate Discusses Work Plan

FL2302000294 Havana Radio Reloj Network in Spanish 2030 GMT 22 Feb 94

[Text] Mexico will advocate the elimination of the U.S. blockade of Cuba because it feels the measure is prejudicial to our population. During a private appearance before the foreign relations board of the standing committee of the Congress of the [Mexican] Union, Mexico's designated ambassador to Cuba briefly discussed the principal objectives of his work program in Cuba. In this connection, he emphasized that it is necessary to increase commercial and financial relations between the two nations, especially in sectors that are priority sectors for Mexican investment, among which are: basic industry, health, communications, construction, foodstuffs, and the hotel industry. The designated ambassador said the Mexican Embassy will need to stimulate, create, promote, and manifest projects for joint activity in whatever promotes sources of reciprocal exchange and consolidates and expands Mexico's presence on the Cuban market.

Central Committee Member Stresses Flexibility on Emigration

FL2202140594 Havana Radio Rebelde Network in Spanish 1000 GMT 22 Feb 94

[Text] Repatriation and expediency of visa procedures were the main issues discussed at the Second Cuban-American Professionals and Entrepreneurs Seminar with Cuban officials which began on 21 February in Havana. The participants, who have come from the United States, have numerous questions on the possibility of the gradual expansion of ties between Cuba and the Cuban community abroad. The increasing number of people wanting to travel to Cuba was discussed, as well as the growth in the number of people abroad who are against the economic blockade.

Jorge Gomez Barata, an official of the Central Committee of the Communist Party of Cuba, spoke at the meeting about the willingness of Cuban authorities to show greater flexibility on emigration issues and stressed that one of the duties of the state is to ensure the security and tranquility of the population; hence, the existence of controls and requirements.

This is the second meeting of its kind with members of this group. The meeting was chaired by Jose Ramon Balaguer, a member of the Politburo, and Sergio Corrieri, president of the Cuban Institute of Friendship with Peoples.

Continued Low Fuel Availability Noted, Explained

FL2302021694 Havana TV Vision Network in Spanish 2320 GMT 22 Feb 94

[Text] The Nico Lopez refinery's catalytic cracking [craqueo catalitico] plant resumed operations this week. This is the plant responsible for refining the largest quantity of gasoline in the country. Nevertheless, the problems extend beyond this factory, and [fuel] availability remains low.

From the very beginning of the year, fuel availability plummeted due to trade delays and the shutdowns in the nation's production plants. The latest situation at the Nico Lopez plant occurred because of a lack of input. However, once one difficulty is solved, others arise, such as the very important need for maintenance, which is a year behind schedule because of lack of financing.

According to the director of Cupet [expansion unknown], the gasoline situation today depends on the nation's financial situation.

[Begin Cupet director recording] Essentially, there is a financial problem that causes the availability of fuels to be considerably below the real demand today, below the amount needed to accomplish the economy's essential activities—activities essential to both the economy and the population. The difficulties make it impossible for us to ensure a certain stability regarding the time and quantities in which the various fuel supplies are guaranteed for the nation's different activities. [end recording]

What is happening regarding gasoline is also the case for kerosene and liquified gas. Availability levels have dropped considerably. In 1989, the amount of fuel oil was over 6 million, while in 1993, it exceeded only 3.5 million. [sentence as heard]

As for liquified gas, 135,000 metric tons were distributed in 1989, while in 1993, there were only 59,900. Likewise, last year, only 299,000 tons of kerosene were distributed, compared to 613,000 in 1989. It was predicted that distribution levels would improve in 1994 due to important intergovernmental agreements, international price adjustments, and particularly, economizing. Nevertheless, the anticipated response has not been forthcoming during these first two months [of 1994]; and both private and state [enterprises], including priority sectors, have been affected.

In order to predict what will happen in the future, one would have to make so many suppositions when only time itself will tell. What is true, however, is the nation's financial instability. We will be able to solve the fuel problem to the extent that financial instability is resolved.

Havana Police Discuss Profiteering, Food Distribution

FL2102153694 Havana Radio Progreso Network in Spanish 1200 GMT 21 Feb 94

[Passages within quotation marks are recorded]

[Text] A National Revolutionary Police [PNR] patrol unit in Havana was one of the Interior Ministry bodies selected to hold a workers assembly. Lack of controls at

state enterprises and units, profiteering, pilfering, and illegal sales of products were among the recurring issues debated in an effort to contribute to streamlining our economy and fostering the fight against crime.

[First unidentified speaker] "The reason I stress the population's support of the police is that these people are selling things and are contributing, to some degree, to increased need in the population. The population wants to eat sandwiches and can find none. The state has no means of providing them. These people are selling guava sandwiches and thus the population's need is satisfied. We are not against this. But what is the price of that guava sandwich? Some may think this does no harm; but not everyone is able to pay 20, 30, or 40 pesos for a ham sandwich or 50 pesos for a rice and pork boxed lunch. I believe that the first thing the population has to do is to support the police in this effort. We ought to arrest these people who are selling products at elevated prices. People in the streets tell me: I am not a policeman. Perhaps not; but as a revolutionary, you are also a policeman."

[Second unidentified speaker] "We all have to realize that cheese sandwiches take flour. Who produces flour? The state alone. Therefore, that person is profiting by selling the bread made by the state. I get a tiny piece of bread and, as a revolutionary, have to be happy with it. I am a revolutionary. I am a communist. I must be satisfied with that piece of bread that is my ration. We do not have the resources to distribute bigger portions. I give my little piece of bread to my son to take to school so he can get through the day. How come these people are selling bread? I have to fight these people, just as I do those selling pizzas. I arrest them and cannot shirk. Where did he get the flour when the pizzerias are closed because of the shortage of flour? Where did he get the flour? The state is the sole producer of flour. Only the state produces bars of soap. So all those people selling those products on the streets are doing so at the expense of the state. I agree with what the comrade said earlier: What we need is control."

[Third unidentified speaker] "I believe that if we arrest all these people....[changes thought] despite some saying that they are small fry, we still have to arrest them. Some say, catch them at the factory; but these people have already dodged factory controls. Let us arrest them. We have a 24-hour-a-day presence on the streets. I believe that in the end this contributes to the distribution of soap, flour, bread, pizza, and everything else to the people. I believe that we cannot lose a single day, although some feel this should be the responsibility of other bodies. No, this is everyone's task and we all must support it."

[Fourth unidentified speaker] "The state has to take control in Jaguey. People say that entire plantations of oranges are rotting. People are going there to profit from that. Who owns that product? It is a state product that the state could sell to the population and recover its investment. Who is making money? The bandits in the streets who have the resources the state lacks. This is a measure the state ought to take."

[Fifth unidentified speaker] "You visit Guira and find plantains rotting on the ground. You ask the manager why there are no plantains in Havana when they are rotting here. He answers that there is no transportation. This is a shame. Anyone can go to Guira and carry home a bag of plantains; otherwise, they rot on the ground. However, the local patrolman confiscates the plantains and fines the person 40 pesos. [Inaudible rebuttal by another speaker] No. One has to keep the worker in mind. We know who is a worker and who is a profiteer. We have to feel for the worker who goes there to get a bag of plantains to feed his family, not for the person who day after day fills the trunk of his car to sell them in Havana."

With political courage, Havana's provincial patrol unit policemen discussed shortcomings they need to overcome.

[Sixth unidentified speaker] "Is this not included in the Official Gazette? Is this not a crime of profiteering? Just as the PNR does nationwide, I go and arrest this individual carrying 60,000 pesos in the trunk of his car. We check his file and find that he has an criminal record and no job. Hence, where does the money come from? Why is he not indicted? Why he is not tried for profiteering when that is a crime?"

The opinions expressed by the members of Havana's provincial police patrol unit do not differ from those expressed everyday by Cuban workers, because they are an integral part of the people.

Commentary Assesses Impact of Reducing Work Force

PA2302031694 Havana Radio Havana Cuba in Spanish 0000 GMT 19 Feb 94

[Commentary by Roberto Morejon]

[Text] The parliaments in the workplace convened by Cuban labor unions to analyze economic issues have entered their final stage. They have resulted in an abundance of reflections, suggestions, and very interesting critical assessments, all of which have been aired in a climate of free participation by the workers.

Since the beginning of the year, the Cuban labor union movement began consulting with its rank-and-file on how the nation can increase work efficiency and resolve its internal finances. It is estimated that by the end of the process—early March—a total of 3 million workers will have contributed their points of view. One of the most prominent matters, and one that has been reiterated in thousands of parliaments in the workplace held up until now, is related to the harmful impact of excessive personnel in factories, workshops, and service centers. Excessive personnel works against efforts to reduce costs and to increase profitability.

True, there is concern about the ultimate fate of workers who are declared redundant, because these workers may have become so involved with their jobs and with their

coworkers that they may not want to change jobs. Nevertheless, beyond this understandable situation, the truth is that no Cuban fears being fired as a result of measures aimed at rationalizing the work force. The nation's authorities and the labor unions agree on the need to find alternative formulas to avoid the abandonment of one single Cuban.

Along these lines, ideas have been discussed on organizing courses to retrain workers, as well as on assigning excessive personnel to farming or housing construction duties. Maybe, because they feel secure in terms of their future, the participants in the parliaments in the workplace have so far agreed that the country cannot continue having exaggerated personnel rosters in the majority of its centers of production. The attendees, amid heated labor union discussions, have suggested solutions, some of which could possibly be applied by company administrators.

Meanwhile, the nation's authorities are not sitting back, and certain practices are being tested, as with the publishing house in the eastern municipality of Palma Soriana. After the production of books was halted because of a lack of paper, the publishing house assumed alternate tasks and retained its work force. Now it is making a profit. As long as there are resources available, the Cuban Government will encourage such emergency formulas in order that the unavoidable process of personnel rationing does not turn into unfavorable remedies for the workers.

Finance Officer Foresees No Production Drop in 1994

FL2202152394 Havana Radio Progreso Network in Spanish 1200 GMT 22 Feb 94

[Text] This year will be marked by economic policies changes and restructuring but will not be worse than 1993, according to Jose Luis Rodriguez, minister president of the State Committee for Finances. Rodriguez gave a special address to a packed room at the Convention Center where the Computing-94 International Fair and Conference were inaugurated. This event is of great interest to a large number of specialists.

Rodriguez said that 1994 should not experience further drops in production and that the national economy will perform better, even if it is not marked by recovery. Following the hour-long address, Rodriguez answered participants' questions. He added that every adjustment process is painful but that Cuba is trying to make things as fair as possible and is particularly ensuring that it has as much support as possible. Rodriguez added that this explains the workers assemblies being conducted by the Cuban Workers Federation and its unions.

Rodriguez reported that as of 1993, there were 112 foreign investment agreements, one-fifth of which are joint enterprises, particularly in tourism and basic industry.

Roundup of Economic Activity

FL2202140894

[Editorial Report] The following is a compilation of fileworthy reports on economic developments in Cuba carried on Havana radio and television in Spanish between 17 and 22 February.

Radio Reloj at 2034 GMT on 17 February reports that Manuel Hermoso, head of the autonomous government of the Canary Islands, will arrive in Havana on 18 February for a visit both friendly and official. He will be accompanied by a businessmen's delegation. Hermoso and Pedro Chavez, president of the Provincial Assembly of the People's Government of Havana City Province, are to sign a cooperation agreement. After meeting with the Chamber of Commerce, the National Association of Small Farmers, and other organizations, Hermoso and the delegation accompanying him are scheduled to leave for Venezuela on 23 February.

Cuba Vision Network at 2320 GMT on 17 February reports the following: Cuban biotechnology specialists have made, from marine microorganisms, a compound that can biodegrade oil spills in the sea. Among the advantages of this compound is the fact that it can be stored for use when needed. Specialists say the Cuban biological compound is very different from existing compounds .

The four-star, 140-room Farallon del Caribe Hotel has been officially inaugurated at the Marea del Portillo tourist hub in Granma. Cubanacan president Abraham Maciques highlighted the hotel's importance to the region's economic and social development. "The tourist complex is run by the Canadian firm Commonwealth Hospitality, whose president was present at the inauguration." With the opening of the new hotel the tourist complex has a total of 280 rooms. The Marea del Portillo and Punta de Piedra Hotels are also in that area.

Radio Progreso at 1200 GMT on 18 February reports that the Cuban Hydrography Institute, in cooperation with several scientific institutions, has collected a large amount of data through the embankment works carried out in the northern part of Ciego de Avila and Camaguey. With these data the institute has published an oceanographic atlas of extremely good quality which was submitted to the third congress of marine science. According to Engineer Angel Luis Chirino, one of the authors of the atlas, the oceanographic atlas of the waters of the Sabana-Camaguey archipelago is the result of more than 20 years of research by the Cuban Hydrography Institute. This atlas reflects the ecological changes caused by the embankment works carried out in the zone and all the oceanographic variables of temperature, currents, salinity, and tides. He added that more than 20 researchers participated in this work. More than 100 km of rockfill embankments are being built in the archipelago to facilitate exploitation of area resources for tourism purposes.

Radio Reloj at 2049 GMT on 18 February reports that the Fantastico travel agency, "which has up to now operated as a Cubanacan travel agency," hopes to bring 300,000 tourists to Cuba this year and collect $11 million dollars. "Its new name aims to give an image of the agency's plans. In the last period, the agency served over 240,000 visitors and took in over $8 million." The travel agency's manager said Fantastico maintains relations with 60 agencies and tour operators worldwide, and has 60 tour circuits throughout Cuba, which over 20,000 summer vacationers took last year." He added that the agency offers 15 to 20 options at every Cubanacan forum, and can handle an average of 80 operations daily.

Radio Reloj at 2035 GMT on 21 February reports that Ciego de Avila Province has had a record grapefruit harvest during the 1993- 94 harvest period, thanks to microjet irrigation. The province harvested 14,501 tons of grapefruit. Fields using the microjet irrigation system had yields of 16 tons per hectare. Over 200 hectares using the microjet system went into production during the last campaign. The grapefruit was processed in the town of Ceballos.

Radio Reloj at 2037 GMT on 21 February notes that the workers of Ciego de Avila made and recycled approximately 200,000 spare parts in 1993, most of them destined for cane sector equipment to be used in the current sugar harvest.

Radio Reloj at 2039 GMT on 21 February announces that the first plant in Villa Clara for recycling batteries began operating on 21 February in Camajuani Municipality. The plant can deliver approximately 200 batteries per month, and is located within the bus rebuilding facility belonging to the People's Government transportation sector. The plant cost 31,000 pesos, and the equipment was taken from other workshops. Ernesto Suarez, secretary of the National Assembly of the People's Government, inaugurated the plant.

Cuba Vision Network at 2320 GMT on 21 February reports that five railway cars are being built for a new train that is to link the cities of Holguin and Las Tunas. The passenger cars used in Holguin's intercity trains are made from old bus bodies on platforms that were formerly used to transport merchandise. The new cars are to be finished before 24 February.

Tele Rebelde and Cuba Vision Networks at 0100 GMT on 22 February reports that Brazilian businessmen, managers of firms in the Brazilian states of Parana and Minas Gerais, who visited Cuba at the end of January said on 21 February that they see ample possibilities for doing business with Cuba, which is currently obtaining good results from its economic policies. These Brazilian managers expressed their satisfaction with the contacts regarding investments made in Havana at the end of January. "According to the daily paper JORNAL DO BRASIL, the firms are interesting in forming joint organizations with Cuban state enterprises that are making effective moves."

Haiti

Senators Sansaricq, Belizaire on Plan Proposed to Aristide

FL2202184194 Port-au-Prince Signal FM Radio in French 1130 GMT 22 Feb 94

[Passages within quotation marks in Creole]

[Excerpts] The president of the second office of the upper chamber, Senator Bernard Sansaricq, returned to the country on 20 February after a trip of nearly eight days to Washington. I did what I could for the country; I have no further comments to make. These are the words he used while addressing the press.

[Begin recording] [Sansaricq] At least one chance must be given to the discussions I started while I was out of the country. We must give these discussions a chance to succeed. We are going to continue to work not only to find the ideal solution to get the country out of the crisis but.... This is all I have to say, I will no longer answer questions.

[Unidentified journalist] You said at the beginning that....

[Unidentified journalist, interrupting] What was the subject of the discussions you held in Washington?

[Sansaricq] I have no more comments to make; I have no further comments. [passage omitted]

[Journalist] ...the country has the right to know what its president went to do in the United States.

[Sansaricq] Listen, I was off on a trip to the United States. I did what I could for the country. We have to wait for the results.

[Journalist] What did you do exactly, Senator?

[Sansaricq] I cannot answer questions. The first secretary [of the Senate office, Sen. Ebrane Cadet] is there; he heard my briefing [last word in English] on the results of my trip on 20 February. He can answer the questions. It is a team effort. [passage omitted] [end recording]

Sen. Cadet did not provide precise information on the question and contented himself with stating that the country would experience some surprises within fewer than 24 hours.

Rony Mondestin says he is amazed at the label, intransigent, attributed to President Jean-Bertrand Aristide. This label would be more suitable for General Raoul Cedras, according to the senator of the North.

Meanwhile, Dejean Belizaire thinks the Governors Island agreement is outdated. Sen. Belizaire asks the Haitian head of state to fill the political vacuum. The following is a report by Daly Valet:

[Begin recording] [Valet] [passage omitted] "Sen. Mondestin asserted that he does not have many problems with the plan being discussed in Washington but he has reservations as to the sequence of this plan. Like the president of the country, Gen. Roul Cedras should resign from the Army before the head of state appoints a new head of government. [sentence as heard] [passage omitted]

"Dejean Belizaire, the president of the Alliance for Parliamentary Cohesion, has a different opinion than that of Sen. Mondestin. Belizaire thinks the president of the country should agree to the plan proposed to him and appoint a new head of government as soon as possible. Contrary to Sen. Mondestin, Belizaire says he opposes Gen. Cedras' resignation from the Haitian Army:"

[Belizaire] "If I had agreed with the departure of the general, I would have already asked for that. I know very well that the Governors Island agreement is something that has already been exhausted. We are no longer within the scope of the Governors Island agreement. But I believe that today an action must be taken. That action is that President Aristide is supposed to appoint a prime minister. Let him appoint his prime minister. Then, after the government is established, we will see how we will settle the other questions."

[Valet] "Unlike Bernard Sansaricq, the other Senate president, that is, Firmin Jean-Louis, and the other quaestor, namely Julio Larosiliere, have not yet entered Port-au-Prince.

"We can inform you that Robert Malval's resigning government has refused to acknowledge both the signature and the authority of the office headed by Sen. Sansaricq." [end recording]

Politicians Predict 'Surprises for the Coming Hours'

FL2302005994 Port-au-Prince Radio Metropole in French 1700 GMT 22 Feb 94

[Text] More than two years after the eruption of the Haitian political crisis, the international community, led by the United States, is relaunching negotiations in favor of a solution. For two weeks, the U.S. capital has been holding discussions. In Port-au-Prince, however, some political players are predicting new developments within the coming days. Following is a synopsis of the situation with Clarence Renois:

[Begin recording] In the 28th month of what is here and elsewhere considered an unprecedented crisis, the Haitian case seems to be rekindling interest in the eyes of the international community. Relegated to a number-three position of importance among the concerns of the world's great leaders, the Haitian case is gradually returning to a level of priority since the step taken by the American Center for Democracy, initiator of restarting Washington-Haitian negotiations.

In fact, for two weeks, the principal leaders of the Haitian parliament have been visiting the U.S. capital where senators and deputies have been working on writing a plan for a solution to the political crisis. Approved from the start by the United States, this plan also benefits from the firm support of the four countries, Friends of Haiti; and today, from the support of the United Nations, brought to bear by Butrus Butrus-Ghali. The UN secretary general has thus quickly answered the letter from six Haitian legislators who were soliciting moral support from his organization.

Everything could lead us to believe that this latest attempt might be the good one if the intransigence—the word is from the [U.S.] State Department—President Aristide's intransigence did not present an obstacle in the execution of the plan for a solution to the crisis. But careful! Besides the position of President Aristide, an unknown is the position of the military, concealed behind a complete, disconcerting silence. The military institution has said nothing about all these negotiations, at least not publicly or officially, while it is again a question of the anticipated retirement of the Army commander in chief.

Deputy Samuel Madistin asked the judicious question, quote: Do six legislators have enough authority to force Gen. Raoul Cedras to respect what has not been respected in the Governors Island agreement, unquote. Another unknown in this situation is the position of some legislators who openly dissociate themselves from the initiative by their six colleagues. Furthermore, the crisis in the Senate of the Republic does not facilitate things either.

In any case, the coming days, even the coming hours, could be of importance because, FRAPH, [Revolutionary Front for Haitian Advancement and Progress] has launched an ultimatum to President Aristide, an ultimatum that expires today; and a senator of the republic has announced surprises for the coming hours. Today, once again, all eyes are turned on Washington, the capital of Uncle Sam, which for the past 28 months has been the center of political activities of the independent and sovereign Republic of Haiti. [end recording]

Gen Cedras Expected in Parliament 22 Feb

FL2302001394 Port-au-Prince Radio Tropic FM in French 1700 GMT 22 Feb 94

[Text] The illegitimate office of the Senate of the Republic should meet with the Army chief, General Raoul Cedras, this afternoon. Let us listen to a report by our special envoy Gary Belizaire, live from the parliament.

[Belizaire] Lieutenant Gen. Raoul Cedras is expected this afternoon in the Senate of the Republic. The Justice, Interior, and Defense Commissions of the Senate have invited the Army commander in chief to provide explanations today of events such as those that occurred (?in the south) two weeks ago. If we are to believe what Senator Ebrane Cadet said, Gen. Cedras will be required

to address the Senate about the upsurge of violence in the country. This invitation to Gen. Cedras proves that the parliament is working, added Sen. Cadet who did not explain whether this convening is part of the surprise he said would occur within 24 hours.

Meanwhile, the 18 January parliamentarians and the dissidents of the Alliance [for Parliamentary Cohesion] are awaiting Gen. Cedras' arrival. The general will most likely attend the session because everything has already been arranged for the holding of this session. The electricity company of Haiti has provided power, whereas the area is usually deprived of electricity at this hour. Let us point out that the senators of the constitutionalist bloc are not present because they have not yet acknowledged the second office of the Senate of the Republic.

Gary Belizaire for Tropic FM at the Senate of the Republic.

St. Vincent and the Grenadines

Mitchell, NDP 'at the Helm Once Again'

FL2202231094 Castries HTS Caribvision Television in English at 2100 GMT 22 Feb 94

[Text] The New Democratic Party [NDP] in St. Vincent and the Grenadines was returned to power in general elections held yesterday. As we heard this dispatch from (Andrea Braffitt), unlike the last general elections, the NDP did not secure all 15, but this time 12 seats.

[Begin recording] [James Mitchell] What was begun here in North Leeward has continued and will continue, and this time and at other times, they will never stop this New Democratic Party.

[(Braffitt)] And this was precisely the case when the ruling New Democratic Party, with party leader James Mitchell, was reelected for a third consecutive term in St. Vincent and the Grenadines. An estimated 6 to 7 percent of the 72,000 persons eligible to vote turned out in Monday's general elections.

Last-lap campaign on Sunday was marked by violence. This time around, the NDP did not repeat the landslide victory as the opposition St. Vincent and the Grenadines Labor Party Movement for National Unity Alliance gained three of the 15 seats being contested. Successful opposition candidates are newcomer (Louie Streker) who won the Central Leeward seat from the NDP candidate Herbert Young.

[(Streker)] Our young people walk up and down and go to the politician's office and they make fools of them by telling them come back next week, come back the following week, and finally slip out of the back door.

[(Braffitt)] Vincent Beache, leader of the Alliance and former head of the SVLP in South Windward:

[Beache] And we know how enthusiastic you are and are you just waiting for the next 17 days or so to pass that you are gone have a new argument facer. All the newspapers says the sun is setting and certainly, come the 24th, that would be end of the sun because it would be eclipsed.

[(Braffitt)] And MNU leader, Dr. Ralph Gonsalves, in North Central Windward:

[Gonsalves] Joshua build and [name indistinct] build. Mitchell ain't build. For ten years today, know what Mitchell say, not last year but just the one before, he say his government is not in power to build houses for poor people. He say you want build house, you must go bank and borrow money. [applause]

[(Braffitt)] The Caribbean News Agency reports that some observers believe that the three seats won by the opposition party are a message to the NDP that there is some dissatisfaction with how it had run the affairs of the country.

[Mitchell] It was NDP before and it will be NDP, it will be NDP [repeats], it will be NDP [repeats].

[(Braffitt)] The NDP is at the helm once again. [end recording]

Commerce Secretary Denies NAFTA Discrimination

PA1902140294 Mexico City NOTIMEX in Spanish 2108 GMT 18 Feb 94

[Text] Mexico City, 18 Feb (NOTIMEX)—Commerce Secretary Jaime Serra Puche has denied the North American Free Trade Agreement discriminates against investors because the opening process for sectors is reflected in the Foreign Investment Law.

When he inaugurated the Mexican-German Business Meeting in Mexico City, Serra Puche asserted that the new Foreign Investment Law is applicable for all international investors, including the Germans, without any type of discrimination.

Serra Puche explained to the German businessmen that in the years to come there will be another Mexico "with the capacity to access other markets held by no other country in America. From Mexico, there will be free access to American, Canadian, and Central American markets," as well as the possibility of entering North, Central, and South American markets without paying duties, he said.

The official said foreign investments have broken all the records in Mexico. He noted that the country received $15.6 billion in investments in 1993, while just in January 1994, investments had reached $2.370 billion. He emphasized that "Mexico has been gaining ground in the race to attract foreign capital and to use its own savings."

German Economy Minister Gunter Rexrodt and Tyll Necker, president of the German Industrial Confederation, support Mexico's membership to the OECD as a full-fledged member. He trusts that Mexico, in the short run, will become the "bridgehead" in uniting Latin American countries to enable them to join international development.

The German minister also asked the Mexican Government to implement the Foreign Investment Law changes to expedite his country's participation and to give preference to German investors. He highlighted that no country has managed to take such an important leap in such a short time as Mexico has, which after several years of fiscal deficit has managed to obtain a surplus and to decrease inflation.

German Minister Rexrodt recognized the importance of the Mexican-German double taxation agreement, which will increase Germany's commercial participation. German investment ranks second in Mexico, a country that is Germany's second commercial partner in Latin America with nearly 19 percent of the trade volume after Brazil.

Economist Rejects NAFTA for Argentina

94P20410A

[Editorial Report] Buenos Aires LA PRENSA in Spanish on 30 January publishes on page 8 a 1700-word interview with former Economy Minister Roberto Alemann by Ana Gerschenson. According to Alemann, who is an economist, membership in NAFTA would not be a good thing for Argentina. He asserts that the United States wants his country to join the hemispheric trade bloc because Argentina represents a large market for U.S. goods and because Argentina does not have the problems that plague Mexico. Alemann points to an unidentified study which states that the incorporation of Argentina into NAFTA would mean, in present worth, a $900 million increase in U.S. exports to Argentina as opposed to an increase of less than $100 million in Argentine exports to the United States.

Four Political Parties Observe Chiapas Peace Talks

PA2202160294 Mexico City NOTIMEX in Spanish 2337 GMT 21 Feb 94

[Report by Victor Godinez]

[Text] San Cristobal de las Casas, 21 Feb (NOTIMEX)—Four of the nine parties registered in Mexico have sent representatives to observe the development of the peace talks which began today to seek a political solution to the conflict in the southeastern State of Chiapas. The Mexican Democratic Party (PDM), Party of the Democratic Revolution (PRD), Mexican Green Ecologist Party (PVEM), and Cardenist Front for National Reconstruction Party (PFCRN) sent delegates to San Cristobal, PDM leader Marcelo Gaxiola stated.

The dialogue between Manuel Camacho Solis, peace commissioner for peace, and the armed group that appeared in Chiapas on 1 January began Monday morning at the Cathedral of San Cristobal, 1,200 km southeast of Mexico City.

In San Cristobal, Gaxiola announced a possible "private" meeting between representatives of the four parties and the 19 delegates of the Zapatist National Liberation Army (EZLN) attending the negotiations to learn about the armed group's demands. That meeting, Gaxiola added, would be attended only by one representative of the four parties, under the promise of respecting security instructions established for the meeting.

The four represented parties accepted an invitation made last week by the armed group to eight of the nine registered political parties to send delegates to follow the development of the peace talks. The PDM, excluded in the original invitation made in one of the communiques sent by the armed group to the press, was included in a later message, in which the EZLN presented an apology for the "omission."

On 27 January, delegates from the four parties signed, together with four other parties, a document entitled "Commitment for Democracy, Peace, and Justice" to promote democratic advancement and the reincorporation of the armed group into the country's politics.

The progovernment Institutional Revolutionary Party reported it expects to learn further details of the peace talks to issue a statement about the invitation, which was turned down by five political parties. The Popular Socialist Party, which did not sign the commitment, the National Action Party, and the Authentic Party of the Mexican Revolution declined the invitation because they think their struggle is political and unrelated to the armed alternative. The Labor Party initially expressed its support for the invitation, but it has abstained from sending delegates to San Cristobal, where the dialogue is being held, 51 days after the start of the conflict began with the takeover of towns by the armed group.

Party Leaders Express Support for Peace Talks

PA2202160694 Mexico City Radio ACIR Network in Spanish 1506 GMT 22 Feb 94

[Report by Jose Luis Sarmentas from San Cristobal de las Casas; from the "Panorama Newscast"—live]

[Text] Representatives from the Mexican Cardenist Party [PCM], Labor Party [PT], Mexican Democratic Party [PDM], of the Democratic Revolution Party [PRD], two factions of the PRT [Revolutionary Workers Party], one representative from the PRI, [Institutional Revolutionary Party], and one representative from the Mexican Green Ecologist Party this morning met with the EZLN [Zapatist National Liberation Army] delegation that is attending the meetings for peace and reconciliation.

The party leaders went to the cathedral of San Cristobal de las Casas and talked for 30 minutes with the EZLN members led by Subcommander Marcos to express their support for the agreements to be reached during these peace talks.

PCM Secretary General Jorge Amador Amador spoke about the dialogue they held with Subcommander Marcos and the rest of the EZLN delegation:

[Begin recording] [Unidentified reporter] Did the party representatives make any specific proposal to the EZLN delegates?

[Amador] I think that the most important aspect of this is the fact that these political organizations are willing—according to its strength and convictions—to support the agreements to be reached during the peace and reconciliation meetings. I believe all of the organizations present here emphasized their support. The EZLN representatives repeatedly demanded this support, which they need. We left open the possibility that we might hold bilateral meetings and that as the talks advance, we will be kept informed of the results, we will be consulted, and naturally we will be able to give our points of view, if requested.

[Reporter] With whom did you meet?

[Amador] We met with the entire delegation of the EZLN led by Subcommander Marcos.

[Reporter] What was his message?

[Amador] He requested that we understand and value their struggle, that we express our solidarity, and that we help them get ahead. [end recording]

Also present at this meeting, among others, were: PDM President Marcelo (Gargiola); Jorge Gonzalez Torres, for the Green Ecology Party; Everto Castillo and Mario Saucedo, for the PRD; and PRI party member Alfredo Rojas Diaz Duran, on a personal basis.

Indian Protest Groups March Toward Mexico City

PA2202182694 Paris AFP in Spanish 1516 GMT 22 Feb 94

[Text] Chilpancingo, Mexico, 22 Feb (AFP)—About 700 members of the 500 Years of Indian Resistance Council of Guerrero [Consejo Guerrerense 500 Anos de Resistencia Indigena] began a march to Mexico City to demand a solution to their claims and in support of the Zapatist National Liberation Army (EZLN).

The Indians, which make up the four ethnic groups that live in the 34 municipalities in Guerrero State, left Monday night with signs that read "Indians, never again second class citizens," "For a court that judges violations to Indian human rights," and "Solidarity with the noble and fair cause of our Chiapas brothers." Included in their requests, the demonstrators demand compliance with the EZLN demands for democracy, justice, and liberty; autonomy for the Indian peoples; the creation of a state fund for the development of their peoples; and that the state satisfy the needs of employment and services.

The Guerrero Indians and other Indians who have arrived from different parts of the country, on 3 March will participate in a Mexico City rally and they have requested an audience with Mexican President Carlos Salinas de Gortari.

Yesterday the EZLN and the government began their first peace talks in San Cristobal de las Casas, in the southern State of Chiapas.

EZLN's Marcos Says Talks on 'Right Track'

PA2302025194 Mexico City Radio ACIR Network in Spanish 0130 GMT 23 Feb 94

[Report by Jose Luis Sarmiento following a news conference by EZLN leader Subcommander Marcos in San Cristobal de las Casas on 22 February—the second day of peace talks between the EZLN and the Mexican Government; from the "ACIR Radio News" newscast]

[Excerpt] The second meeting between EZLN [Zapatist National Liberation Army] delegates and Peace Commissioner Manuel Camacho Solis with media representatives began at 1845 on the second day of negotiations. The talks are part of the peace and reconciliation negotiation process taking place at the Cathedral of San Cristobal de las Casas, which is now being called the Cathedral of Peace.

Yesterday, Subcommander Marcos, who heads a group of 19 EZLN delegates, said his group will present to Peace Commissioner Camacho Solis its list of demands. Today, Subcommander Marcos affirmed that the dialogue for peace and reconciliation in Chiapas is on the right track.

[Begin Subcommander Marcos recording] We want to tell the people of Mexico, as well as tell the peoples and governments of the world—and we want to tell you, representatives of the national and international media—that the dialogue is on the right track. We have found people are listening to us, and we have seen a real determination toward achieving a solution.

Here, I want to address the concern that has been expressed over our masked faces and our weapons. We do not understand the concern with our faces, because before 1 January [the start of the EZLN rebellion in Chiapas] our faces did not exist for you. The faces of Ramona, Felipe, David, Eduardo, and Ana Maria did not exist for this country on 1 January. Nevertheless, if you want to know whose faces are behind the ski masks, it is very easy—simply pick up a mirror and look into it.

We want to tell you—and we want to tell those who have told the truth, not those who have followed the path of lies—that if the killing has indeed stopped, it is thanks to you and the people behind you. We ask, as brothers, that you continue to tell the truth, and, if possible, we ask those of you who have been telling lies to please stop lying.

We want you to support this ongoing dialogue. We want you to report plainly what we are saying. What we are saying is the truth. It is not good to seek two interpretations when only one exists. This could bring about more problems in the future.

As I explained to you before, we are not carrying weapons out of mistrust for the government but, rather, for fear of those forces whose interests have been affected by our movement. We think that on this second day, after our main demands have been listed—yes, they have been pondered by the peace commissioner—we are moving toward seeking avenues that might allow us to reach specific accords. Also, the committee asked me to clearly state the following: It is ready to seek another alternative, if this is possible, and to seek your advice and support in this search for peace—a peace with dignity—for which we are hoping. [end recording]

CNDH Head Cites Chiapas Investigations

PA2302014394 Mexico City Radio Acir Network in Spanish 0000 GMT 23 Feb 94

[Report by Oscar Navarro; from the "Acir Radio News" newscast—live]

[Text] [Announcer Jose Cardenas] Jorge Madrazo, National Human Rights Commission [CNDH] president, has called a press conference to present a preliminary report on the results of 52 days of investigations on the respect for human rights in Chiapas, specifically in the area of the armed conflict. We now go to Oscar Navarro with the details.

[Navarro] Just as you said, Jorge Madrazo, after presenting his preliminary report on the events of Altos de Chiapas, has said the CNDH has stated it has received and begun to investigate 218 complaints involving 727 individuals. Of these, 20 are due to acts perpetrated by

the Zapatista National Liberation Army [EZLN]; seventy-six are against members of the Mexican Army; four are against personnel from the Attorney General's Office; three are against employees and state government officials, and one is against the municipal presidents of Altamirano, Las Margaritas, and Tenejapa.

In a lengthy communique, Ombudsman Jorge Madrazo has stated the CNDH has 218 case files regarding, among others, 56 murders, 30 cases of aggression, 427 kidnappings and disappearances, 25 cases of torture, 80 for illegal arrest, four for illegal property confiscation, two for intimidation, two for robbery, and four for air strikes. I believe we should hear what Jorge Madrazo had to say about the air strikes.

[Begin Madrazo recording] It has been initially determined the projectiles used where the CNDH conducted its investigation are known as rockets. Their destructive capability, given the expansive range and effects of fragmentation, is less than that caused by what is commonly known as a bomb. [end recording]

[Navarro] Madrazo added 404 cases of missing people have been solved; twenty-three are still pending. He also highlighted the fact that 20,000 people have fled from their homes in the areas where the EZLN is operating. There have also been reports of abuse against Indians. Let's listen to the report on deaths in the before mentioned municipalities.

[Begin Madrazo recording] There were a total of 40 deaths; of these, 20 were identified as civilians; six were government troops, and 14 were unidentified individuals who have not yet been claimed and who could very well be EZLN members. This has not been confirmed. The total number of deaths reported at the CNDH is 145, including 14 members of the Mexican Army and 38 public security personnel. [end recording]

[Navarro] The ombudsman explained CNDH intervention will not cease when the investigations conclude. The commission has agreed to establish a permanent program for Altos de Chiapas and the surrounding jungles, which will be to attend to the consequences in which the conflict will surely result.

Madrazo concluded the CNDH has determined that several Indian chiefs, who in addition to demanding that the commission leave the Chiapas region, could jeopardize the peace process, just to defend their selfish interests.

Designated Ambassador to Cuba Rejects U.S. Blockade

PA2202152694 Mexico City NOTIMEX in Spanish 2034 GMT 21 Feb 94

[Text] Mexico City, 21 Feb (NOTIMEX)—Mexico will maintain its policy of asylum and respect for human rights of immigrants, but will not allow the use of its territory as a springboard for Cubans trying to go to the United States, a diplomatic source said today.

Carlos Alejandro Tello, the designated Mexican ambassador to Cuba, said Mexico "will maintain its policy rejecting the U.S. blockade against Cuba, implemented more than 30 years ago, and will advocate its elimination because it harms the Cuban people."

Asked if the Mexican Foreign Secretariat has asked its diplomats to report on the Chiapas situation in the countries where they are accredited, Tello said "we were instructed to tell the truth from the start of the incidents." He added that "if I am confirmed as ambassador to Cuba, I will do as I did in Moscow; I will say it is a local problem, a Mexican problem. There should be no foreign intervention and a political solution will be sought through dialogue."

He said he has received no special instructions for carrying out his duties in Cuba. "Mexico will not only maintain the excellent and solid relations that currently exist, but will strengthen them by redoubling efforts in the areas of tourism, oil, and industry," he stressed.

Tello, who has been the Mexican ambassador to Portugal and Russia, among other positions, expects to be confirmed ambassador to Cuba by a Congressional plenum on Wednesday [23 February].

Germany's Rexrodt Stresses Need for Cooperation

AU2202181494 Duesseldorf HANDELSBLATT in German 22 Feb 94 p 14

[Report by "zz": "Minister Rexrodt Expresses Recognition for Mexico's Policy of Opening Up"]

[Text] Mexico City— On the occasion of the opening of the Technogerma '94 fair, Federal German Economics Minister Guenther Rexrodt described Mexico's opening up to the rest of the world as "a courageous and correct decision." Rexrodt said that "over the past few years, Mexico has prepared for the leap into an industrial society."

In his opening speech, Rexrodt recalled the tradition of German industrial exhibitions in Mexico. The first large-scale industrial fair was staged in Mexico City exactly 40 years ago, in 1954. The choice of Mexico for Technogerma 1994 is a signal: As the fair only takes place every three to four years in an important partner country "with which economic and technological cooperation should be particularly enhanced," this now "opens a new chapter in German- Mexican economic relations."

The German economy can build on a solid base in Mexico: For some years now, the country has been the biggest purchaser of German goods in Latin America. In 1992, the volume of bilateral trade reached 5.25 billion German marks [DM]. The Federal Republic's trade surplus amounted to DM2.5 billion. However, in 1993, the exports to Mexico and imports of Mexican goods

into Germany both declined: "All possible efforts must be made to reduce the growing bilateral trade deficit (Mexico) with Germany."

Rexrodt urged the Mexican export industry to use the opportunities presented by the German market with its 80 million consumers. "Display presence instead of abstinence." Germany is the second largest investor in Mexico after the United States. That stems not only from the German investment capital flowing into Mexico, but also from the fact that a high share of the profits earned in Mexico are reinvested.

"NAFTA, which was formed recently," said Rexrodt, referring to the North American Free Trade Zone, which was established on 1 January 1994, "will encourage the development of much closer ties between the two North American states and Mexico, and that will result in an increase in investment." The Federal Republic hopes that a German-Mexican treaty on the protection and promotion of investment will have a positive effect. Bonn is exchanging ideas about such a treaty with the Mexican Government. The "Report of the Year 2000 Commission," which was presented in Mexico City also describes new areas for cooperation between Germany and Mexico.

In his opening speech, Rexrodt also stated that there was "enormous potential for economic growth" in environmental protection. In Germany alone, the market for goods that are not harmful to the environment amounts DM40 billion a year. The market is growing at a rate of between 6 and 8 percent. NAFTA will present Mexico new challenges in this very area of environmental protection.

Rexrodt praised the policies aimed at promoting stability being pursued by President Salinas de Gortari and his government: "The Mexican economy has come out of the painful and difficult adjustment process stronger." This path is "an essential condition for overcoming structural difficulties, achieving further economic growth, and thus, above all, for the political stability that is so important."

This year's Technogerma has far more to offer than its predecessors, stressed Rexrodt. There will be a symposium covering such topics as the transfer of knowhow, background information on "Germany as a center of industry," and a series of side events to promote cultural exchange. "Technogerma," said the economics minister, "will enhance Mexican-German relations in the political and cultural field too."

Costa Rica

CENPRO Reports Increases in Exports

PA2202183794

[Editorial Report] The Exports and Investments Promotion Center (CENPRO), a government-owned agency, disclosed that exports during January 1994 totalled $207 million, a $5-million increase over the same period in 1993. Once again, tourism and exports of nontraditional goods led the way despite a fall in the export of traditional goods and assembly plant products. Revenues from tourism totalled $54 million during January 1994 representing a 30 percent increase with respect to January 1993. Excluding tourism, export revenues totalled $152 million, 5 percent less than the $160 million received during January 1993. (San Jose LA REPUBLICA in Spanish 14 Feb 94 p 12a)

El Salvador

Cristiani Questions FMLN Criticism of Electoral Tribunal

PA2202221094 San Salvador Canal Doce Television in Spanish 0300 GMT 19 Feb 94

[From the "Up to Date" newscast]

[Text] President Alfredo Cristiani has said that the charges made by the former guerrillas are unfounded inasmuch as the Supreme Electoral Tribunal [TSE] is doing exemplary work. According to Cristiani, there is no room in the country for electoral fraud, which is why he is questioning the FMLN's [Farabundo Marti National Liberation Front] complaints of irregularities and delays in the electoral phases.

[Begin Cristiani recording] Actually, there is an Onusal [UN Observers for El Salvador] contingent here that is already observing the electoral process, not just election day. It seems ridiculous to us that anyone should raise accusations of fraud at this time. It seems that they are already predicting the results. [end recording]

Representatives of the former guerrillas met with the UN secretary general to voice their discontent over the delay in delivering voter identification cards to the former areas of conflict, where the FMLN claims most of its supporters live. Cristiani has a very personal interpretation, which is similar to the interpretation of the party that took him to power.

[Begin Cristiani recording] The TSE's work is open to the public, and there are UN observers. Could it be that they want to justify what they are already predicting will take place; that is, that they will not win the elections? [end recording]

Minister Accuses Left of Destabilizing Electoral Process

PA2302044194 San Salvador Radio Cadena YSU in Spanish 0100 GMT 22 Feb 94

[Report by Enrique Lemus from the "YSU Radio News" newscast]

[Text] Presidency Minister Oscar Santamaria has accused the political left of creating an atmosphere of instability to hinder the election chances of the progovernment party.

Presidency Minister Dr. Oscar Santamaria reported that protests by different groups are being sponsored by leftist parties to harm the government. Santamaria added that the leftist parties are seeking electoral benefits by promoting demonstrations and creating an atmosphere of instability prior to the next elections.

[Begin Santamaria recording] [words indistinct] this time that we have learned leftist sectors are promoting actions to destabilize the country and capitalize on those actions in the 20 March elections. We believe that this is not the right way of doing things at this time, because now more than ever the country requires stability and peace.

The people want to express themselves publicly by peacefully exercising their right to vote, as opposed to previous electoral processes which were marred by violence. We must not let ourselves be deceived by these demonstrations, which many times exceed the realm of social protest. Such social protests are valid all over the world, provided that public order and public security are maintained. [words indistinct] generate violence. We believe this is not a good example for our people.

All actions that are aimed at vindicating a group's rights can be made without resorting to violence. We believe that staging marches, public demonstrations, and protests for the sake of staging them—without any justification—should not be done at this time, because we are working through other actions and convictions to consolidate peace. [end recording]

Meanwhile, Dr. Santamaria stated he does not know anything about steps taken by the FMLN [Farabundo Marti National Liberation Front] at the United Nations, adding that the peace process is not [words indistinct].

[Begin Santamaria recording] [words indistinct] FMLN which are the product of their visit. It is doing this in a unilateral manner and as part of its relationship with the United Nations. I do not know the reasons behind the visit of FMLN representatives to the United Nations.

I stated that in the United Nations there is the belief that we must continue working in situ, namely in El Salvador, as part of the commitment each party has. The FMLN has always wondered about what will happen with the peace accords after this administration leaves office. This is apparently part of the FMLN's concern, and I

understand this, as well as that the FMLN wants to discuss the elections with the UN secretary general. Nevertheless, we are in no way saying that the accords face a crisis. [end recording]

Santamaria gave the aforementioned statements after presiding over the graduation ceremony of 337 students of the National Public Security Academy who will join the National Civilian Police.

Minister Denies Letter From UN Secretary General

PA2202221194 San Salvador Canal Doce Television in Spanish 0300 GMT 22 Feb 94

[From the "Up to Date" newscast]

[Text] Minister of the Presidency Oscar Alfredo Santamaria today denied that the government received any official document sent by the UN secretary general on nonfulfillment of the peace agreements.

During this past weekend, FMLN [Farabundo Marti National Liberation Front] coordinator Shafik Handal reported that Butrus Butrus-Ghali told a delegation of former guerrillas who were visiting the United Nations that he had sent a letter to President Alfredo Cristiani in which he asked him to accelerate the application of some agreements, such as the deployment of the PNC [Civilian National Police], the former fighters' rejoining civilian life, and the transfer of land.

A UN spokesman recently notified an FMLN delegation that traveled to the United Nations that Butrus Butrus-Ghali had sent a letter to President Cristiani requesting that he make use of his power with the same interest so that some pending agreements related to the PNC and the transfer of land be implemented. However, the minister of the presidency denied this report.

[Begin Santamaria recording] We have not received any notification from the UN secretary general. [end recording]

Santamaria explained that the government, the FMLN, and Onusal [UN Observers for El Salvador] are working on a new schedule with regard to the deployment of the PNC. The official added that nonetheless, the PNC issue is moving ahead well with regard to deployment. He also said that it is false that the government is not interested in fulfilling its commitments.

[Begin Santamaria recording] The United Nations has made no such statement. All I can say is that at the end of its transition period, this government is committed to having concluded and implemented all of its agreements. Naturally, some of them will continue, because some agreements are scheduled to be concluded after the transition period. [end recording]

Nonetheless, Dr. Santamaria admitted there are some delays in the programs to have the former fighters rejoining civilian life related to the transfer of land. According to him, this is due to the lack of financial support which the international community had promised to solve.

Guatemala

De Leon Addresses Industrialists

PA1902234394 Guatemala City SIGLO VEINTIUNO in Spanish 16 Feb 94 p 12

[Text] The legalization of capital punishment as a penalty for kidnapping is basically a good thing, President De Leon Carpio has said in response to questions posed to him yesterday at a breakfast with industrial representatives of the Chamber of Industry of Guatemala [CIG].

De Leon Carpio said: In line with the situation Guatemala is facing, I will not commute the death penalty if it is applied against kidnappers. The appeal for commuting the death sentence is unfair in this case. Kidnapping is one of the most abhorrent crimes and it must not go unpunished. I am ready to present a draft bill to Congress to reform the Penal Code and the law.

He added: We are preparing a draft bill that contributes to stopping the wave of kidnappings unleashed in Guatemala—a bill that would prove to be a high risk element for those who commit this crime.

Meanwhile, Jose Gutierrez, president of the Chamber of Industry of Guatemala, stated that the security issue has become a major concern of all Guatemalans, adding that slayings, kidnappings, and assaults have grown to frightful levels.

"The destruction of the national infrastructure has surfaced once more; again we are living amid the chaos of insecurity and terrorism, which have harshly struck the Guatemalan family, the economy, and the contry's stability," the industrialist remarked.

In his speech, the president of the Republic said the role of his government is focused on laying the foundations for changing our country through appropriate measures that will permit national development.

De Leon Carpio stressed the need to share responsibilities, because the future of Guatemala is a duty of all citizens, government, businessmen, union members, cooperative members, and other sectors. The Great National Accord establishes the goal of achieving governability [gobernabilidad] without resorting to force.

President de Leon invited the Chamber of Industry to form a delegation to accompany him to Mexico. In Mexico, De Leon will conduct economic talks designed to benefit industry and the population in the wake of NAFTA's going into force in January.

Finally, the president explained that he will soon appoint a Guatemalan ammbassador to GATT, because this is of vital importance to the economic and productive development of the country.

Industrialists Undertake Path of National Rescue

Juan Jose Gutierrez affirmed: We industrialists view President de Leon as a capable and honest man with the sufficient determination and moral capacity to change the course the country is following. We are confident the president is ready to make the necessary decisions and implement the necessary measures, no matter how difficult they may be. Guatemalan industry supports De Leon and is at his side to begin the long path of national rescue—a task we deem to be the responsibility of all Guatemalans.

Gutierrez added: A country can achieve development through a process of industrialization. As Guatemalan businessmen, we clearly understand our role and commitment to Guatemala. Our sector is making long-term plans; it is carrying out large productive investments and capital investments. It generates a significant amount of jobs and has the most skilled workforce in the country.

The industrialist added: We sometimes have criticized the government and listed our demands, but we also have made specific proposals to resolve the nation's problems. A macroeconomic policy is necessary to promote productive investments instead of speculative investments, as well as to generate healthy and sustained growth. This will permit us to make up the great amount of the time we have lost. Our economy is tainted and distorted by corruption, the large fiscal deficit, high interest rates, the foreign debt, the concentration of foreign currency, and the subsidizing of the exchange rate.

According to Gutierrez, foreign trade requires special and responsible treatment. Trade policies have to be guided to go hand in hand with achieving the highest levels of productivity and competitiveness. As a country we must avoid being run over commercially due to nonreciprocity in our trade relations with other countries, Gutierrez stressed.

The country's infrastructure network is very weak, especially in areas such as energy, telecommunications, roads, ports, and airports. These problems compete directly against the country's efficiency, productivity, and development possibilities. The solution, as we have said before, is to do away with the monopoly of these services and allow free competition to make them efficient and profitable, he said.

The CIG president said that contraband has become one of the biggest stumbling blocks for national production. Without strong and effective actions against this crime, many industries and businesses have no hope of surviving in the market for much longer.

The labor outlook is dismal due to the high rates of unemployment and underemployment, which can only be fought by creating conditions that restore confidence to investors and encourage the entrepreneurial spirit, he concluded.

Effort and Commitment, Requirements To Be Guatemalan

According to the Commitment 1994 video exhibited during the meeting between the president and the industrialists, "today more than ever, everyone's efforts and commitments are necessary, because if we are going to call ourselves Guatemalans, we must justify this." The documentary highlights the importance of improving Guatemalans' quality of life through an efficient program that directs public investments and expenditures toward the reduction of problems in education, health, and security. It suggests implementing a decentralized and regionalized education program and increasing construction of housing and latrines in poor villages in the area of health to define basic sanitation programs.

The economic aspect is dealt with by the documentary in a detailed fashion, stating that Guatemala needs sustained, accelerated economic growth, which is achieved through fiscal, monetary, exchange, and credit policies that encourage real and productive investments, generating health and sustained employment.

The documentary stresses the need to repay the public debt in advance in order to eliminate excess circulating currency. The authorities should privatize public utilities, improve tax collection, modernize customs services by decentralizing them in order to eliminate corruption, and rationalize public expenditures.

Regarding exchange policies, the documentary says that foreign exchange concentration should be eliminated and that the market should be allowed to set the exchange rates. A foreign trade and long term investment policy must be defined to allow successful entry into the international market. To this avail, specific funds should be assigned within the government's budget which will permit the negotiation of free trade treaties.

As for competitiveness, it is necessary to improve the infrastructure. At a Central American level we must promote a 0-percent tariff on raw materials and capital assets.

In view of the demands to form trade blocs, it supports the idea of being competitive by guiding the technical training of workers toward greater productivity and efficiency, which means reorganization of the Intecap [Technical Institute for Training and Productivity] is necessary. It also states that breaking up the monopoly of services provided by the Guatemalan Social Security Institute is necessary.

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Mayor Urges Government To Counter Belizean Raids

PA2302044994 Mexico City NOTIMEX in Spanish 0216 GMT 23 Feb 94

[Text] Guatemala City, 21 Feb (NOTIMEX)—Belizean troops have raided Guatemalan territory, demanding peasants from this country abandon their lands in the northern border area, local Guatemalan authorities charged today.

"The soldiers gave us a 15-day deadline to fall back; or otherwise suffer the consequences," said Carlos Ovando, mayor of the Guatemalan hamlet of Los Dolores in northern Peten Department. The official told the Guatemalan Congress that Belizean soldiers threatened to kill the peasants in the area if they remain in the border region. Ovando asked for the Guatemalan Government's intervention to exercise greater control along the border in light of what he labeled a Belizean invasion.

Last year in October, the Guatemalan Defense Ministry confirmed that Belizean soldiers had raided Guatemalan territory on several occasions; however, the Belizean Government ruled out an "erosion" of diplomatic relations. On 16 February, residents of the De Melchor de Mencos municipality in Peten, approximately 10 km north of here, charged that soldiers from the neighboring nation had entered Guatemalan territory, destroying maiz and rice fields.

Guatemala maintains—since the time Belize was a British colony—a demand on this territory that gained its independence from the United Kingdom in 1971.

Roundup of Economic Developments

PA2202220494

[Editorial Report] The following is a compilation of reports on Guatemala's economic developments monitored through 22 February 1994.

The Central Bank has reported that Guatemala's 27.49 percent interest rate is the highest in Central America. In addition, the interest rate on certificates of deposit increased from 18.34 to 18.36 percent. (Paris AFP in Spanish 1835 GMT 15 Feb 94)

In January, $298 million were purchased and entered the Guatemalan banking system. This figure represents more than $10 million above the sales figure. The sources of U.S. dollars were exports, tourism and travel, insurance, transfers, private capital donations, and public sector loans. (Mexico City NOTIMEX in Spanish 0208 GMT 16 Feb 94)

After talking with businessmen. President Ramiro de Leon Carpio has announced plans for the construction of a privately owned seaport, which would compete with the state-owned port system. De Leon Carpio, however, declined to mention the port's location and the name of the enterprise that will build and manage it. (Guatemala City SIGLO VEINTIUNO in Spanish 17 Feb 94)

According to the Bank of Guatemala, which cites a report released by the Energy and Mines Ministry, the country's oil production increased to 2.346 million barrels, 415,000 more barrels than in the same period of 1992. Exports reached 2.093 million barrels, which represents an increase of 25.8 percent. (PRENSA LIBRE in Spanish 18 Feb 94 p 94)

Honduras

Central Bank Cuts Required Reserve

PA2202183094

[Editorial Report] The following is a compilation of reports on Honduran economic developments monitored through 22 February.

The board of directors of the Central Bank of Honduras (BCH) decided yesterday to cut the required legal reserve by two points from 36 to 34 percent for commercial banks and from 17 to 15 percent for savings and loans associations. The legal reserve has remained at 36 percent since September 1993, when it was cut from 42 percent. The 42-percent rate was set in July 1993 as part of an economic measure to slow the rise of the lempira. In announcing the new legal reserve, BCH Vice President Daniel Figueroa indicated that the objective was to send a positive message to all productive sectors and thus create a suitable equilibrium between the banking system's active and passive interest rates. The BCH vice president also said that in the medium term banks will increase their short-term interest rates either by increasing their savings rates or by cutting loan rates. (San Pedro Sula LA PRENSA in Spanish 18 Feb 94 p 7a)

Nicaragua

Peace Talks Between FN 3-80, Government Postponed

PA2202142994 Panama City ACAN in Spanish 1904 GMT 21 Feb 94

[Text] Managua, 21 Feb (ACAN-EFE)—Official sources have confirmed that the first direct meeting between the Nicaraguan Government and 3-80 Northern Front's [FN 3-80] recontra leaders, which was scheduled for today, Monday, has been postponed for a few days. Sergio Caramana, coordinator of the International Commission of Support and Verification-OAS (CIAV-OEA), confirmed the postponement to ACAN-EFE. Caramana is participating in the talks that will lead to the disarmament of the FN 3-80, which comprises mostly 400 former contra fighters.

Recontra leader Jose Angel Talavera, alias "El Chacal" asked that this first direct meeting with the government to be postponed until next week. The meeting will define the disarmament process for the rebels operating in the northern region of the country. According to official sources, "El Chacal" justified his request by indicating that there is still a heavy Army presence in the northern regions bordering Honduras where the recontras focus their operations and where the first negotiation meeting was to be held.

The redeployment of Army forces from these areas, where heavy fighting occurred in January, was one of the rebels' demands for talks to begin. The recontra leader also said there were other minor reasons for postponing the talks, including a lack of communication with the rest of the FN 3-80 high command. An official source told ACAN-EFE that Talavera is asking for six more days because he has been unable to contact all of his forces, and therefore they do not know enough about the government's disarmament proposal.

The meeting between the government and the recontras was scheduled to take place in Ciudad Antigua, near Honduras, with the presence of a mediating commission composed of representatives from the Catholic Church and the OAS. Caramana said: "We are all working to try and overcome these last minute glitches." He added that despite the postponement it is the express will of the government and the rebels to bring the armed conflict, that continues to harm Nicaragua, to an end.

Sandinist Deputy Carlos Gallo, president of the Congressional Human Rights Commission, told ACAN-EFE the rebels have presented last minute demands for their disarmament. According to Gallo, the "recontras" demanded the creation of a safety zone or enclave and the concentration of military forces in 12 northern municipalities to be located in Nueva Segovia, Esteli, Matagalpa, and Jinotega. All of these communities are located along the Honduran border.

The rebels also said talks will begin seven days after the military redeployment process is complete. Gallo, speaking with ACAN-EFE, said this new element brings the talks to a standstill. An official source explained that members of the mediation commission were discussing the new conditions with the government and a formal response to the recontra's proposal will be released shortly.

The Army and the rebels each called their own cease-fire on 10 February to allow the disarmament negotiations to begin. The recontra problem surfaced in 1990, shortly after President Violeta Chamorro took office. Several thousand of the 22,000 demobilized contras took up their weapons again because the government failed to fulfill the demobilization agreements.

According to official sources, approximately 800 rearmed rebels, including recontras, former Sandinist soldiers known as recompas, and common criminals, are operating in the north and central regions of the country.

CIAV-OAS Official Comments

PA2202183394 Managua Radio Corporacion in Spanish 2300 GMT 21 Feb 94

[Telephone interview with Dr. Sergio Caramana, representative of the International Commission of Support and Verification-OAS, by station announcer in Managua on 21 February; from the "Five O'Clock Sharp" newscast—live]

[Text] [Announcer] We have Dr. Sergio Caramana on the line from the CIAV-OAS [International Commission of Support and Verification-OAS] office. Doctor, we understand the meeting scheduled for Monday has been postponed. What can you tell us about this?

[Caramana] Greetings to listeners of Radio Corporacion. Yes, what happened was we have been working to smooth out some small problems and obstacles to holding this meeting since last Thursday. That is why this meeting could not be held today. But I want to inform you and the audience of Radio Corporacion that

the determination of the members of the Northern Front, the Army, and government remains unchanged. They are determined to peacefully resolve this issue through negotiations. The meeting is scheduled for the middle of this week in the Quilali area.

[Announcer] Doctor, will you present specific points at this meeting?

[Caramana] Basically the government and its institutions will present a series of broad proposals and programs to resolve or address the causes that result in the uprising of different groups and sectors of Nicaraguan society. I believe there is a clear awareness to go to the root of the problem this time so as to provide an in-depth and complete solution. We hope all sectors involved are seriously committed to this line of thought.

This is not a matter of having a particular group surrender its weapons as a daily thing in Nicaragua, but basically tackling the in-depth problems. Among the basic demands is the issue of security, which is very important and fundamental to all this, and the issue of credits, production, social, health, education, and emergency fund projects, which are needed in these forgotten areas.

[Announcer] Doctor, we understand the meeting was postponed due to the very military presence that will be used to settle this situation.

[Caramana] Listen, that is not the reason why the meeting was postponed. In reality, we are coordinating the work and planning of this meeting, which is very important, with government authorities, military authorities, and members of the 3-80 Northern Front. I want to clearly state that all the parties are demonstrating goodwill to get to that meeting and agree to the requests made by the 3-80 Northern Front.

[Announcer] Doctor, El Chacal's [Jose Angel Talavera] group seems to be ready to disarm itself. What is the situation of other groups, such as those led by Nortiel and El Charrito?

[Caramana] Well, we have not received requests from those groups for a possible demobilization. Consequently, I cannot tell you what those two groups' intentions are. It has been said, however, that some of the rearmed groups you just mentioned may be included in this negotiation.

I believe the possibility of peacefully resolving, not violently or militarily, the conflict in the northern region will be an important sign for all sectors in the mountains, especially the areas where the post-war population is residing. I think we must seriously work to resolve this problem in an honorable manner for all the parties involved, a solution with real social justice.

[Announcer] Can you say whether there have been clashes in the north the last few days?

[Caramana] No, thank God the truce has been respected. The cease-fire has been respected. Thank God there has been no incident or loss of human life to regret. I believe the truce and cease-fire are, in reality, the first step of the negotiations. They have an extraordinary value in the sense that no more Nicaraguans are dying. No Nicaraguans from the Army, rearmed groups, or civilian population—many times people suffer from cross-fire confrontations in these situations—are dying.

[Announcer] Doctor, what can you tell us about the Cobra-93 clandestine group?

[Caramana] Well, all I know about this group I get from the news reports and some reports from indirect sources. These groups and some other recompa groups are moving about the country. I think it is appropriate to call the authorities' attention to closely monitor these groups so they do not become an obstacle to the peace process under way in Segovia. I hope no incident occurs in this regard.

[Announcer] Doctor, would you like to say anything else to the listeners of "Five O'Clock Sharp" newscast?

[Caramana] I would like to add that we are facing a big challenge. I am optimistic about it. But my optimism is moderate in the sense that the resolution of this process does not depend on CIAV-OAS, it depends on the Nicaraguan players of the conflict, namely the government, Army, and members of the 3-80 Northern Front.

I believe we have the basic raw material to begin these talks, which is the goodwill of these sectors to settle the conflict peacefully. We reject a violent solution of this dispute. In this regard, we are motivated to cooperate in a vigorous and complete manner in this process.

[Announcer] I thank you very much, Dr. Sergio Caramana.

Prosecutor Orders Arrest of Ortega's Bodyguards

PA2202194394 Managua Radio Sandino in Spanish 1200 GMT 22 Feb 94

[From the "Events" newscast]

[Text] Yesterday, Military Prosecutor Lester Gallo ordered the arrest of two of Army Commander General Humberto Ortega Saavedra's bodyguards in connection with the investigation into the death of a young man by the name of Jean Paul Genie.

Captain Roberto Danilo Chacon Rivas and First Lieutenant Alejandro Cesar Lopez Rodriguez must be temporarily detained for 10 days, while the trial is being held. Yesterday, when these two men appeared at the Court of the Judge Advocate to make a statement, the prosecutor ordered their arrest.

Another four of General Ortega's bodyguards are to testify today and tomorrow. Captain Chacon Rivas and First Lieutenant Lopez Rodriguez were sent to the Disciplinary Unit of the Sandinist People's Army on the road to Masaya. The bodyguards' defense attorneys have criticized the arrest order.

Roundup of Economic Developments

PA2202183594

[Editorial Report] The following is a compilation of reports on Nicaraguan economic developments monitored through 22 February.

The Central Bank of Nicaragua announced that annual accumulated inflation reached 10.58 percent during the last 12 months and that the cordoba had fallen 6.55 percent with respect to the U.S. dollar. According to the Central Bank, the aforementioned levels are in accordance with monetary adjustment policies applied by Violeta Chamorro's administration to control inflation, which reached 55,000 percent in 1990, the highest in the world. In January 1993, Nicaragua's economic authority decided to implement a 20.34-percent "macrodevaluation" of the cordoba and establish a 1 percent monthly fluctuation mechanism. (Panama City ACAN in Spanish 2105 GMT 15 Feb 94)

Oscar Aleman, director of the Foreign Trade department of the Economic and Development Ministry (MEDE), announced that Nicaragua had decided to stop granting licenses for the importation of Costa Rican dairy, canned, and grain products until that country decides to lift its import restrictions on similar items from Nicaragua. Aleman said the decision does not constitute a trade war but is a "tit for tat" situation because while Nicaragua allowed the unrestricted entry of Costa Rican goods, that country did the opposite. The foreign trade director added that before making the decision, the economy minister had contacted his Costa Rican counterpart and requested unrestricted passage for Nicaraguan goods. The Costa Rican minister explained that the call for restrictions was made by the private sector for reasons of competition. (Managua BARRICADA in Spanish 16 Feb 94 p 1, 8)

Panama

Carles, Paredes Promote 'Fallacy Campaign' Against PRD

PA2202210594 Panama City LA ESTRELLA DE PANAMA in Spanish 17 Feb 94 p 1

[Article by James Aparicio]

[Text] An investigation conducted by LA ESTRELLA DE PANAMA disclosed that General Ruben Dario Paredes and Ruben Dario Carles, presidential candidate and former comptroller, have made a pact to include former Panama Defense Forces [FDP] officers in his movement and discredit opposition candidate Perez Balladares.

Paredes, the man who closed the media and imposed censorship on 31 July 1982 with his famous phrase "as of now," negotiated with Carles for an advisory position on public security matters as well as for the creation of a support group.

Paredes has called at least three meetings with former officers, among them Lieutenant Colonel Daniel Delgado, Lt. Col. Carlos Arosemena King, Lt. Col. Juan Antonio Guizado, Major Severino Mejia, and Arrigo Guardia, one of the main promoters of Carles' candidacy.

Mitchel Doens, first assistant secretary of the Democratic Revolutionary Party (PRD), told LA ESTRELLA DE PANAMA that his group knows about these meetings and asserted that there is a "fallacy campaign" promoted by Paredes and Carles' electoral team.

According to Doens, "the main goal (of the campaign) is to spread the rumor that the PRD wants to reestablish the army and that it has made a secret pact with former FDP officers."

"Carles' and Paredes' goal is to keep the PRD from attaining power," Doens said.

When Perez Balladares launched his presidential campaign he said that he would not make changes to the current Public Force, that he would make the Public Force more professional, and that under no circumstances would he incorporate the former FDP officers into that force.

Last week Doens sent a letter to Stanley Muschett, president of the Peace and Justice Commission, warning him that a campaign was being prepared and that it "is based on false documents, slanderous statements, and even offenses against the candidacy of Dr. Ernesto Perez Balladares."

According to Doens, they are planning to make public an alleged pact "between Dr. Perez Balladares and officers of the defunct FDP to reestablish militarism in Panama."

"Everyone knows our candidate's position. He has stated quite clearly that he will respect the current structures of the Public Force and will not reinstate any former officer who was not already an active member of the force on 1 January 1994," Doens recalled.

Doens reminded Muschett that the PRD will continue to respect the Santa Maria La Antigua Political Parties Pact that was also signed by the coalition that supports Carles.

"Our goal (the PRD's) is to follow that ethical line, giving priority to the debate of the problems of the Panamanian people and suggestions for the solution of these problems," Doens said, adding that the Peace and Justice Commission must not allow itself to be surprised "by those who are bent on violating the agreements they promised to respect."

Carles Denies Involvement

PA2202214894 Panama City LA ESTRELLA DE PANAMA in Spanish 18 Feb 94 p A1

["Text" of letter from Ruben Dario Carles, presidential candidate for the Nationalist Liberal Republican Movement, to LA ESTRELLA DE PANAMA]

[Text] Dear Sir:

In today's, 17 February, edition of LA ESTRELLA DE PANAMA and with a boldfaced headline, you published as true rumors claiming that there is a conspiracy "to promote a fallacy campaign against the PRD [Democratic Revolutionary Party]" and that I am involved.

All these rumors seem to be supported by a meeting I had a couple of months ago with former General Ruben Dario Paredes at his request. Gen. Paredes was interested in talking to me about his ideas on national security regarding the future protection of the Panama Canal. It goes without saying that I far from share the ideas of the aforementioned officer on national security and that I have never been associated with or served under him at any time in my life. That, however, did not keep me from listening to what he had to say.

The PRD was organized as a party under the sponsorship, protection, and support of the military dictatorship to serve as its political arm. The PRD fulfilled this role until 20 December 1989. During the dictatorship, the leaders of the PRD rose to their positions within the party cadres after proving themselves unconditional servants of their military chiefs. Now that the dictatorship they served so submissively has been overthrown, they are trying to discredit me by linking me in some way to their former masters with whom they were closely involved.

If the former officers of the defunct Defense Forces wanted to discredit the members of the PRD who are so fearful of them today because of what the former officers know about them, they would not need me. All the former officers have to do is go public with all they know about the activities of their unconditional servants of the past, when they very enthusiastically formed part of the dictatorship which they bent over backwards to serve. The officers who were members of the military leadership know very well and have firsthand information about the stories and adventures of those who served as the civilian instruments of the regime. The best thing that could happen would be for the Panamanian people to find out what really went on. To do this, the former officers do not need my advice or recommendations.

I would appreciate your publishing this letter with the same emphasis given the "news" item to which I am referring.

Sincerely yours,

Ruben Carles, presidential candidate

Torrijist Officers Deny Associations

PA2202215194 Panama City LA ESTRELLA DE PANAMA in Spanish 18 Feb 94 p 1

[Article by James Aparicio]

[Text] Lieutenant Colonel Daniel Delgado Diamante yesterday said Torrijist military men "have made no pact" with the opposition Democratic Revolutionary Party (PRD), nor have they met with Presidential Candidate Ruben Dario Carles.

In statements to LA ESTRELLA DE PANAMA, Delgado admitted that a group of former officers of the defunct Panama Defense Forces (FDP) met with retired General Ruben Dario Paredes to analyze "the country's problems, among them the public security problem." Delgado insisted that "none of the meetings (with Gen. Paredes) has been in favor of Carles or against Ernesto Perez Balladares."

However, several sources have informed LA ESTRELLA DE PANAMA that Paredes tried to promote an association of former military men who would support Carles, the presidential candidate for the Nationalist Liberal Republican Movement (Molirena), the Civic Renewal Party (PRC), and the National Renewal Movement (Morena).

Approximately 25 former officers attended the meetings with Gen. Paredes, among them Daniel Delgado Diamante, Carlos Arosemena King, Virgilio Mirones, Major Severino Mejia, and Maj. Juan Antonio Guizado.

Yesterday on Radio Ancon, Gen. Paredes denied reports published in the 17 February edition of LA ESTRELLA DE PANAMA. However, he did admit that he met with Carles for 45 minutes. According to Paredes, it was "a regrettable lie published by LA ESTRELLA DE PANAMA."

Delgado said the former officers are worried about the increase in crimes, kidnappings, drug trafficking, vandalism, and the failure of the current Public Force, but warned that they, the officers, are conceptually "Torrijists." "We continue to be Torrijists because we believe the ideas promoted by Torrijos are the appropriate answer to the country's problems," Delgado stressed.

Paredes Confirms Meeting

PA2302002894 Panama City LA ESTRELLA DE PANAMA in Spanish 22 Feb 94 p 1

[Report by James Aparicio]

[Text] Retired General Ruben Dario Paredes has confirmed to LA ESTRELLA DE PANAMA that he has met with presidential candidate Ruben Carles, at the request of Dr. Arrigo Guardia [National Integration Movement national coordinator], to discuss issues related to security, the future of the police corps, the penitentiary system, and intelligence organizations. He has also

expressed regret over the "electoral mediocrity" of the former comptroller general and his main advisers.

In a letter sent to LA ESTRELLA DE PANAMA, Paredes has admitted he met with Carles and Guardia on 15 January for what he called "a working meeting."

In a telephone conversation, Paredes has denied he is involved in a plot against the opposition Democratic Revolutionary Party (PRD), "because nobody catches me making a slander campaign against anybody." Paredes added: "I would not lose my time doing this."

In a letter sent to the Justice and Peace Commission last week, Mitchel Doens, PRD first assistant secretary, charged Carles' team was preparing a slander campaign by reporting the opposition PRD candidate Ernesto Perez Balladares had a pact with former military personnel to reinstate the Defense Forces. Perez Balladares announced there will be no Army in Panama, and Carles denied the alleged slander campaign against the PRD.

Paredes has expressed regret, however, that Carles had denied the alleged "working meeting" as if "one stinks." He added: "When the news broke out and caused its effects, Professor Carles and two of his closest advisers were struck with political panic and instead of rising up to the situation and admitting we did discuss public security issues, which are a real problem, they descended down to the levels of electoral mediocrity."

Why were Carles and his advisers so afraid of our meeting being made known, and what compelled them to take such an irregular attitude? Paredes asked himself. He has expressed regret that "a candidate with Professor Carles' potential of success has made such a mistake, which will surely be punished at the ballot tables."

According to Paredes, "this mistake (Carles') will contribute in defining the candidates' positions and will benefit the country and voters, because it reduces the possibility of making a wrong choice."

Argentina

Menem, Castro Reportedly Hold Telephone Conversation

PY1802215494 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1842 GMT 18 Feb 94

[Text] Buenos Aires, 18 Feb (NA)—President Carlos Menem allegedly held a telephone conversation with Cuban leader Fidel Castro. During the conversation, which lasted several minutes, the two leaders discussed the situation of their respective countries and, particularly, the commercial blockade against Cuba.

This information was published today by the Buenos Aires daily AMBITO FINANCIERO, which also said the contact had been made by a relative of Menem, of Syrian origin, who lives in Havana.

According to the press report, Menem spoke to his relative and after the protocol greetings, she said, "I will put you on to a friend" and Castro's voice appeared on the other end of the line.

Relations between Menem and Castro remain distant because the Argentine president criticizes his Cuban counterpart for not calling elections in the island so its inhabitants can elect their leaders.

Menem Views Social Development Secretariat's Role

PY1902012694 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1131 GMT 15 Feb 94

[Excerpts] Buenos Aires, 15 Feb (NA)—President Carlos Menem stated that the government will start to pay the "social debt" by establishing the Social Development Secretariat. He pointed out that this new secretariat will have enough financial resources at its disposal to implement aid programs for the community.

Menem made these remarks on 14 February when installing Luis Prol [former under secretary general of the presidency] in office as the new social development secretary. Menem noted that Prol "does not face an easy challenge," but he asserted that he "will not be short of money." [passage omitted]

It was unofficially reported that $300 million will be appropriated initially for the new secretariat and "cash in hand" from the other ministries will subsequently be earmarked to reach a total of $900 million. The secretariat will answer directly to the president.

Menem ordered that funds from ministries' budget allotments classified as "surplus" be transferred to the new secretariat, which will then earmark them for social programs to be implemented in the forthcoming months.

Prol reportedly will be in charge of managing the funds collected from the National Lottery—some $100 million, which he will be able to use at his discretion.

The new secretariat will be in charge of managing social programs undertaken by the government and "monitoring" their progress.

Prol will take on the administration of some 60 social plans and programs the federal government had entrusted to five ministries, like intensive training programs (PIT) and the upgrading of squalid rural schools, among others. [passage omitted]

Reportage on Investigation by Italian Judges

Menem Opposes Probe

PY1702174894 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1346 GMT 17 Feb 94

[Text] Buenos Aires, 17 Feb (NA)—President Carlos Menem this morning stated that any new trial of the military officers who ruled Argentina between 1976 and 1983 "would be double jeopardy" and noted that the presence in Argentina of Italian judges to investigate alleged cases of torture of Italian citizens "is pointless."

Menem said: "As everyone here knows, we have an amnesty law, a due obedience law, court sentences, and a pardon decree" and thus this is "a closed matter."

Menem made these remarks shortly before leaving for Ecuador where he will be received by President Sixto Duran-Ballen, with whom he will sign several bilateral integration agreements.

In an unscheduled news conference at the military sector of the Aeroparque metropolitan airport, Menem said he finds it strange for "Italy to try to meddle in these affairs" now that "several years have elapsed since the time of repression in our country."

"Those cases to which the double jeopardy principle is applicable cannot be reopened," Menem said.

He said that the subject "has been artificially resurrected," adding that the presence of Italian judges in Argentina "is pointless at this time."

Asked by reporters if the Italian judges could request the extradition of former de facto President Jorge Rafael Videla, Menem said: "No, they have no right to do that because he has been sentenced and pardoned."

Menem reiterated that the government has great interest in the approval of the labor reform bill being discussed in Congress.

At 0702 this morning Menem left for Ecuador where he will sign several bilateral integration agreements and, on 21 February he will go to Colombia to meet with President Cesar Gaviria.

Judge Disqualifies Self

PY1802200494 Buenos Aires CLARIN in Spanish 17 Feb 94 p 11

[Text] Federal Court Judge Gustavo Literas on 16 February reversed his decision to hear the testimony of relatives of Italian citizens who were kidnapped, tortured, and made to disappear during the last military dictatorship. At the request of attorney Julio Castro, he disqualified himself to continue hearing the case and transferred the dossier to the Federal Court, which now must appoint a new judge.

Literas' unexpected change of mind put an end to the hopes of the Italian court officials who had arrived in Buenos Aires to investigate the case of the missing people and hear the questioning to be conducted by the Argentine federal courts. This was the mission of Rome's Judge Antonio Capiello and attorney Antonio Marini, who arrived in Argentina on 14 February after the Italian courts had sent the Argentine ones a rogatory letter, to which Judge Literas—head of Federal Court No. 10—had initially agreed.

On 16 February, a few minutes before the court hearing was to begin and the first witnesses summoned by the court had arrived (among them Peronist leader Dante Gullo), the judge told the Italian officials that the hearing had been suspended.

The judge's unexpected decision is threatening to become an international scandal. Rumors spread on 16 February stated that the Italian court officials were planning to hold a news conference on 17 February because they had been told that the court's unexpected decision was more the result of political pressure on Judge Literas' court than of difficulties arising during the lawsuit.

Meanwhile, the first protests against the Argentine court decision began in Rome. Sandro Sessa, head of the League for the Rights of Peoples, said that in Italy the lawsuit against the accused military "will not stop just because it had been suspended in Buenos Aires."

On 14 February, Lieutenant General Mario Candido Diaz, chief of the Joint Staff, sent Defense Minister Oscar Camilion a report conveying to the government the Argentine Armed Forces' "uneasiness and concern" over the presence of Italian court officials in Argentine courts.

De la Rua Withdraws From Elections, Criticizes Alfonsin

PY1802193994 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2308 GMT 17 Feb 94

[Text] Buenos Aires, 17 Feb (NA)—Minutes before announcing his decision to not participate in his party's internal elections scheduled for 20 February, Senator Fernando De la Rua said: "We cannot participate in the internal UCR [Radical Civic Union] elections because the National Board has issued a proscriptive resolution impeding the elections, and this is a dishonor to the entire party."

De la Rua, who made the announcement during a brief news conference at the UCR Buenos Aires precinct, said the crisis affecting the UCR causes him "great bitterness." He also harshly criticized the UCR National Board because "it proscribed the Movement for Participation and does not understand that party unity is achieved through differences of opinions."

De la Rua explained that he decided to withdraw the Movement for Participation list from the party elections "because of the proscription issued by the UCR National Board." He added that to continue with the campaign for the Constituent Assembly elections scheduled for 10 April "would be a contradiction" because the party faction he heads "never approved the Olivos Pact."

De la Rua added: "The UCR National Board resolution is an official party statement and its enforcement is compulsory. It compels us to proscribe ourselves because we have always rejected the basis of the Olivos Pact."

He referred to the [Raul] Alfonsin faction as "those who left us out of the referendum issue" and reasserted that "we had more than 30,000 signatures supporting the holding of the referendum."

Minutes after making this statement to the press, De la Rua went to the first floor of the building where the UCR Buenos Aires precinct headquarters are located to address about 200 members of the party faction he leads.

Escorted by UCR leaders Felipe Figuerero and Roberto Clienti, Fernando De la Rua, leader of the Movement for Participation, asserted that his decision to not include his name on the list of candidates "is based on ethical reasons." He again criticized the resolution that compels party candidates to adhere to the Olivos Pact because "it is a manipulation of the party grass roots"

Clearly alluding to the Alfonsin-led faction, he said: "They have locked up the ballot boxes but we will not surrender because the UCR will overcome this crisis."

De la Rua's brief speech was followed by his supporters' chants of: "We are proscribed for not signing the pact but we are a majority in the capital."

Felipe Figuerero, president of the UCR Buenos Aires precinct, spoke after De la Rua. After explaining that this was "the most painful" day in his party life, Figuerero formally proclaimed the Movement for Commitment headed by Alfonsinist Deputy Jesus Rodriguez as the single UCR list in the capital.

The document approved by the majority of the Electoral Board explains that the Movement for Participation list was not included because of "the regrettable situation raised by the official and compulsory enforcement of the UCR National Board resolution."

The resolution, signed by the majority of De la Rua's followers, adds that "The Movement for Commitment is the only one that has met all the requirements to be officially proclaimed."

Raul Alfonsin on Constitutional Reform, Other Issues

94SM0228A Buenos Aires LA PRENSA in Spanish 6 Feb 94 p 6

[Interview with former President Raul Alfonsin by Analia Argento; place and date not given]

[Text] The former president maintains that Senator Fernando de la Rua is on the road to "political suicide," and that he will not be able to run "even for mayor." For the time being, in his view, only Angeloz is in a position to head the ticket in 1995. He considers Angeloz a "progressive" who contradicts himself. The leader of the Radical Civic Union (UCR), in an exclusive interview with LA PRENSA, says he believes the inflation index announced by the Economy Ministry. He acknowledged that memories of hyperinflation weigh heavily on the Radicals, and that "some people believe we want Menem to be reelected," but "we will vote for our own candidate."

Perhaps because throughout their history, the Radicals have suffered the consequences of personality cults and antipersonality cults, former President Raul Alfonsin does not mention by name the targets of his harshest criticism. When he met with LA PRENSA, the mere mention of Senator Fernando de la Rua was enough to get him riled.

[Argento] How concerned are you about De la Rua's decision not to support the constitutional reform?

[Alfonsin] I think it is a truly serious problem for the Radicals. This amounts to an incredible insubordination. I know of no precedent for anything like this. The delegates from the federal capital went to the convention in Santa Rosa, they discussed their positions, they voted, and they lost. Now they are refusing to accept the resolution that was passed there. This is a very divisive attitude that has no place in any political organization. If everyone in the provinces decided to do the same thing, the Radical Civic Union would be gone within a year. So it makes no sense to be doing this; it is the product of an attitude that is absolutely unacceptable in any people-oriented organization. What we are witnessing is the political suicide of Fernando de la Rua, no doubt about it.

[Argento] Why suicide?

[Alfonsin] Well, because he will have to run in an election, win an election in which no one knows what will happen, and then face an election in the worst possible position, worse even than the way he went into the last election, thanks to his ineptitude.

[Argento] De la Rua says that the party members in the capital oppose reelection.

[Alfonsin] What has that got to do with anything? We will see which slate wins the internal elections. The party has its structure, its organization; the members in the capital elected delegates, who went to the National Convention, and the other provinces had a different opinion that prevailed. That is democracy; anything else is a parody of democracy.

[Argento] Might there be sanctions?

[Alfonsin] I will let the episode run its course, and then we will see. But no one here is going to play at breaking up what the capital really wants.

[Argento] How can it be that you were able to engage in dialogue with President Carlos Menem, but you cannot reach an agreement with one of your fellow party members?

[Alfonsin] And...if dialogue is possible with those who are different, surely it is much more difficult because we are more alike (maybe). Those of us who abide by the same philosophy must be much more careful with each other. I am willing to talk; I will not refuse to talk to anyone. I am the chairman of the national committee and I am willing to talk, but I am also ready to enforce the resolutions passed by the party.

[Argento] Why do you think De la Rua adopted this attitude?

[Alfonsin] You would have to ask him that question. This is an unprecedented situation in the UCR. In 1957, the party split in two because a certain resolution passed by the National Convention was not accepted. But within the party, nothing like this has ever been seen.

[Argento] Is there a chance of a schism?

[Alfonsin] No, I hope that, at least on this, he does not continue forward. He should see how people from all the provinces come up to me and say, "What is happening, how is it possible for this man to conspire against the possibilities for a Radical victory?" Not only in the capital, but in the country, because the statements he has made in the dailies of Buenos Aires, or on the radio or on television, are seen in all provinces of Argentina.

[Argento] When you ran for the presidency of the party, you said you were going to make the UCR's discourse more uniform. You seem to be having a tough time doing that.

[Alfonsin] Yes, I think it will be tough, but give me time.

[Argento] What makes you trust the ruling party now, when a year ago you were saying that this government "is tyrannical and is putting the squeeze on the governors"?

[Alfonsin] We have turned to the reform precisely because it is a means of preventing any tyrannical inclination or authoritarian streak, of attenuating the powers of the president, achieving greater legal security, making republican controls more effective so as to prevent corruption, achieving more federalism, and all

that. We trust them because the law is structured in such a way that everything we want is voted on at the same time as the issue of reelection because some people think we want reelection. We do not want it; we will vote against the president. We will have our own candidate.

[Argento] Are you making that clarification because of the insistent rumors about a joint ticket between the Justicialist Party (PJ) and the UCR?

[Alfonsin] No, because we conducted a survey in which we came out better than we expected in voting intentions in Greater Buenos Aires, but it is very bad that people do not understand this. And it is only natural, because this does not take people's needs into account. The primary obligation of politicians is to explain what this reform is all about. Some people were saying they thought we were supporting the president on reelection.

[Argento] What will you do to change that impression?

[Alfonsin] In general, people in Greater Buenos Aires (who may not be well informed because they have other concerns) thought differently. So we need to clarify the situation. The first campaign we need to launch is to explain what it is all about.

[Argento] Speaking of things you have in common with the government, there is also talk that Cesar Jaroslavsky could be Menem's cabinet chief.

[Alfonsin] No, that is a lie. We will not allow him to.

[Argento] Since the pact, some people have been thinking: What is the difference between Menem and Alfonsin?

[Alfonsin] No, that is a captious question. I defy you to find a political party that has been as firm in its statements of opposition as we have been since the pact was signed.

[Argento] As the first candidate for the constituent assembly, what will you do to defeat Governor Eduardo Duhalde?

[Alfonsin] We will defeat him because people may criticize us for the economy, for example. Stability is not at issue here. They also criticize us for other things, but when people want to safeguard their freedom, their dignity, and their national institutions, they think of the Radicals. I think they also feel that I did a good job in consolidating democracy, regardless of other errors and misjudgments. Just as we consolidated democracy then, now what we want to do is draft a better constitution.

[Argento] Is there any chance of reaching an agreement with the government on other issues, such as labor reform?

[Alfonsin] They would have to change a lot of things, because the way it is now, it is unconstitutional, in my opinion.

Hyperinflation

[Argento] Your internal adversaries attributed the 3 October defeat to the "specter of hyperinflation" in your government.

[Alfonsin] That ma[illegible]ge. The business of hyperinflation was very harmful. But the economic problem is not at issue here.

[Argento] And in 1995?

[Alfonsin] Since I will not be a candidate in 1995, there will be no problem.

[Argento] But what if your party loses again? They could blame you again.

[Alfonsin] Let them keep on saying it, even if I have changed, they will remember, even if I die, they will remember it just the same.

[Argento] The inflation rate in January was just 0.1 percent. What do you think?

[Alfonsin] I think it is the result of a great depression in demand, and that is not consistent. Of course, we favor stability; it can be no other way. But if you depress demand, there can be no inflation. And with real wages falling and unemployment rising, demand is obviously depressed.

[Argento] Do you believe the figures released by the Ministry of Economy?

[Alfonsin] Yes, in general I do. With the proviso, though, that there are figures for the more affluent and figures for the less affluent, and the one for the less affluent is always a point or so higher.

[Argento] Why do you usually aim your criticism at Cavallo and not Menem, if the minister says that the economic plan is the president's?

[Alfonsin] My criticism has never been personal, never in my life. I got angry with you once because you portrayed me as fighting with the president and you criticized me for that. Now people criticize me for not criticizing him. I have always questioned government policies, and the ones I disagree with the most are the social policies they advocate, and the idea of making the most disadvantaged sectors bear the brunt of the crisis. And fundamentally, the liquidation of all the regional economies, which I had always warned about.

[Argento] What will be the outcome of that situation?

[Alfonsin] I think serious measures have to be taken. We are going to hold a seminar to which we will invite the most diverse business and labor sectors, to study the issue. We will hold it in Viedma.

[Argento] Is that not a wink at Massaccesi?

[Alfonsin] No, no, it is a pleasure for us to go to the place that someday will be the capital of the Argentine nation.

[Argento] Are you persisting with that plan? It was very expensive.

[Alfonsin] Expensive? Nonsense, that is just one of those stories people tell. Houses need to be built everywhere, and you build houses where the people are. If people go from one place to another, they build schools and hospitals in the new place, just the same.

[Argento] Ministries and other public buildings would also have to be built.

[Alfonsin] And we paid for all those buildings and then some by selling the Japanese Embassy, $300 million at the exchange rate of the time.

[Argento] So if the Radicals were in power, you would continue that project?

[Alfonsin] I would, but since I am not going to be the candidate, I do not know what the new Radical president will do.

Presidential Timber

[Argento] The next presidential candidate will have to have your support. To whom will you give your blessing?

[Alfonsin] Not mine, he will need that of the entire party. Whoever is the Radical candidate must enjoy the support of the party, but after the internal elections, I hope no province will get the idea of holding a plebiscite to decide whether or not they support him (he laughs)!

[Argento] Who will be the UCR's next presidential candidate?

[Alfonsin] I do not know. At present, I get the impression that Eduardo Angeloz is in the best position. But that is all, the best position. I do not know.

[Argento] Angeloz considers himself one of the most progressive leaders of the party, citing the health plan that he is implementing in Cordoba. Do you agree?

[Alfonsin] I think he is governing Cordoba in a progressive way, although sometimes I may disagree with some of his statements; they are not consistent with his progressive government. But after all, that is his business.

[Argento] What about De la Rua?

[Alfonsin] De la Rua is committing political suicide. He will not even be able to run for mayor of Buenos Aires. De la Rua has destroyed himself with these positions.

[Argento] When will you retire from politics?

[Alfonsin] We shall see. I have been told that I cannot say when.

[Box, p 6]

"War" of Signatures Launched

At this point, no one will venture to guess the final outcome of the crisis in the Radical Party in the capital, where the De la Rua and Alfonsin camps have grown further apart. While some people (just a few) advocated a compromise, the election campaign was practically launched yesterday.

Two days after the antireform camp of Fernando de la Rua was thwarted in its attempt to call a referendum, De la Rua and Alfonsin followers went out yesterday to walk the precincts and collect signatures to support their respective positions.

Thus, De la Rua walked the streets of Flores while his followers urged people to sign up to support the referendum on the reform. Ballot boxes were set up at tables located on the busiest corners so that citizens could express their opinions on the reform that was agreed to.

At the same time, the Alfonsin supporters of the Ateneo del Centenario, headed by Jesus Rodriguez, hit the pavement to begin collecting signatures to call for a referendum to determine the membership's opinion of the agreement forged by the De la Rua camp and the Buenos Aires PJ to allow former Senator Juan Trilla to chair the Deliberative Council, in response to their adversaries' initiative.

The charter of the UCR in the federal capital states that a referendum may be held if two-thirds of the total number of delegates or of the Metropolitan Convention vote in favor of it, or if 10 percent of the party members in the district sign petitions calling for one. At present, that means that about 22,000 signatures must be gathered.

The strategy of the De la Rua supporters, who are in the majority in Buenos Aires, is to place a question about support for the reform on the ballot to elect delegates to the constituent assembly on 20 February. If more than 10 percent of the votes cast oppose the reform, the results will be binding, and the national convention's decision to support the agreement will be overturned.

De la Rua contended that "we are getting off to a good start in this campaign, because we see that people are asking for our help to make the UCR a true opposition party. They want to have a chance to express their opinions on the matter." The Buenos Aires senator demanded that the head of the party, Raul Alfonsin, "respect the opinion of the members of the Radical Civic Union in the federal capital, whom we want to represent."

Corrientes

Meanwhile, in Corrientes, the Radical Integration Line, headed by Deputy Nestor Lino Golpe, decided to run its own candidates in the internal elections to make up the list of delegates to the constituent assembly. They stated that they would oppose the Olivos Pact, signed by President Carlos Menem and Radical leader Raul Alfonsin.

Pharmaceutical Industry Leader Questions Patent Law

PY1902185894 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1128 GMT 19 Feb 94

[Text] Buenos Aires, 19 Feb (NA)—On 18 February, Pablo Challu, executive director of the Argentine Industrial Center of Pharmaceutical Laboratories (CILFA), emphasized that if the law on pharmaceutical patents is approved it does not necessarily mean that Argentina will be able to join NAFTA, as U.S. Ambassador James Cheek has indicated.

Challu reiterated his warning that if Congress approves the patents law the United States wants, the prices of medicines "will go up 300 percent."

He explained that CILFA, the umbrella organization of Argentine pharmaceutical laboratories, disagrees with Ambassador Cheek about this condition he is trying to impose because "first the terms on which Argentina will be able to join NAFTA must be established."

Challu was talking about Ambassador Cheek's statement to the effect that congressional approval of the law on pharmaceutical patents was an essential requirement for Argentina to join the trade agreement between the United States, Mexico, and Canada.

The pharmaceutical industry leader compared the ambassador's conditions to "a theater where people are asked to buy their ticket first and then it is decided whether they will be admitted and under what conditions."

Challu also explained that CILFA "supports the amendment of the law on patents," but the organization disagrees with the U.S. ambassador "on two or three items" of the law.

"Cheek wants exclusive rights, that is, a monopoly for companies that develop the products, and we believe it is better to pay them royalties while retaining the freedom to market and produce these products," Challu said.

He added that CILFA also disagrees with the length of time the law will be in effect.

Challu stressed that the disadvantages consumers of pharmaceutical products would face if the law on patents is approved, such as significant price increases, is "a vital issue."

He said: "Unlike the case in the United States, which has a monopolistic system, free competition allows many companies to produce the same goods. If there is only one company that produces certain goods, it will be able to time the marketing of its product to its own advantage."

One of CILFA's main arguments against the approval of the law on patents is the marked price increase that medicines will experience if the law goes into effect.

Correction to Argentine-Chilean Oil Pipeline

PY1802155994

The following correction pertains to the item headlined "Details of Argentine-Chilean Oil Pipeline Reported," published in the Argentina section of the 17 February Latin America DAILY REPORT, page 18:

Second column, fifth paragraph, first sentence, make read: ...Secretary Alejandro Hales [as received] said the oil.... (inserting editor's note; Hales is Chilean mining minister)

Brazil

Presidential Spokesman Denies Franco To Resign

PY2202140694 Brasilia Radio Nacional da Amazonia Network in Portuguese 2200 GMT 22 Feb 94

[Text] President Itamar Franco, who spent a week out of Brasilia, returned to his office in Planalto Palace but his stay in this capital will be short because he is scheduled to make four trips in the next 10 days.

Presidential spokesman Francisco Baker denied the president of the Republic is thinking of resigning to run for election.

Baker remarked that Franco cannot run for a seat in the Senate, as a Brasilia daily reported last weekend, because he is not affiliated with any political party. Moreover, the deadline to become affiliated expired in early January.

President Franco will only be at Planalto Palace a few days this week because on 24 February he will travel to Caxias do Sul, where on 25 February he will open the grape harvest. On 26 February, he will travel to Porto Alegre, where he is scheduled to meet Rio Grande do Sul Governor Alceu Collares; from there he will go to Canoas, where he will dedicate the expansion of the (Aupec Pascualinho) refining plant. On 27 February, Franco will travel to Sao Jose dos Campos, Sao Paulo, to attend the launching of General Motors' economy model, (Costa).

Franco will return to Brasilia on 28 February after the launching ceremony, but he will only remain here a few days.

On 3 March, he is supposed to leave for Guaira, near Caracas, Venezuela to discuss issues related to border affairs, gold diggers, and the preservation of the environment.

Presidential Spokesman Francisco Baker Steps Down

PY2302111994 Rio de Janeiro O GLOBO in Portuguese 22 Feb 94 p 12

[From the "Swann" column: "Goodbye"]

[Text] Presidential spokesman Francisco Baker on 21 February said goodbye to Planalto Palace. He will become the IMF Latin press adviser.

Baker declined to suggest names for his successor.

Military Said Pressuring Justice Minister To Resign

PY2202152094 Rio de Janeiro O GLOBO in Portuguese 21 Feb 94 p 3

[Text] Brasilia—After surviving several crises and threats to leave the government, Justice Minister Correa is again enduring pressures. Because of the several glasses of whiskey he had at his box at the Sambodromo carnival parade ground in Rio de Janeiro, Correa ended up annoying the military, the church, and Finance Minister Fernando Henrique Cardoso himself, who was also irritated by the behavior of his party colleague. Planalto Palace advisers find the behavior of Correa—who had to be carried from the Sambodromo box by aides and security personnel—to be way out of line with his ministerial rank.

According to the above advisers, it will be incumbent upon Henrique Hargreaves—chief of the president's civil household—to talk with Correa to ask him to resign. In light of the fact that Franco himself has had his image tarnished by the scandal provoked by model Lilian Ramos, the presidential advisers would like to spare him the embarrassment of having to fire a minister who had had a drink too many in a public place.

In military circles, where Correa has fallen from grace since January when in an interview he said that Franco had resisted a coup attempt by retired officers, his getting drunk at the Sambodromo was the last straw. The military dissatisfaction with Correa was at the center of a meeting held last week by General Fernando Cardoso, chief of the president's military household, with the president of the Republic.

Correa has not done too well in other government areas either. In the P.C. Farias case, he had several head-on collisions with the Federal Police [PF] and ended up by being forced to accept Colonel Wilson Romao as the PF director.

Both in Congress and at the PF, Correa's weekend drinking had become common knowledge long before the Sambodromo scandal. Politicians said that Correa used to arrive at meetings smelling of whisky when he was vice president of the Congressional Investigating Committee in the P.C. Farias case.

Approval of Social Emergency Fund Faces Difficulties

PY2002021294 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Feb 94 p A4

[Article by Pamela Nunes and Marta Salomon]

[Text] Brasilia—The vote on the Social Emergency Fund (FSE) scheduled for 23 February could be postponed due to President Itamar Franco's disastrous behavior in the past few days and the excitement created by the approaching electoral campaign. Bahia Governor Antonio Carlos Magalhaes [ACM] is threatening to review the PFL [Liberal Front Party]'s support for the government only a few days before the decisive battle to approve the economic plan in Congress. "The government has suffered a serious credibility crisis," the governor said on 18 February. "This is why we must renegotiate the pact that made possible PFL support for the FSE."

The PFL was one of the main parties responsible for a full plenary session during the first voting session on the FSE, when the government amendment was approved. This is why ACM's threat carries a strong risk that the decisive voting session might be postponed. "It can be delayed, yes," the governor admitted. In order to have the amendment approved in the decisive session the government needs the votes of 293 legislators, which requires broad support. This support was weakened recently by Itamar Franco's behavior during Carnival and his remarks in favor of the candidacy of Finance Minister Fernando Henrique Cardoso for the presidency.

FSE resources are essential for the government to balance the public deficit and begin the second stage of the plan providing for the implementation of the Real Value Unit (URV). Political parties are aware of the consequences if the plan is not approved by 10 March, when the deadline for negotiating the foreign debt with the IMF expires. But many politicians are willing to delay a vote on the plan to prevent the minister from running for the presidency. Tarcisio Delgado (PMDB-MG [Brazilian Democratic Movement Party- Minas Gerais]), leader of the largest bloc in Congress, is facing the possibility of a vote on 23 February with "moderate optimism." Today the PMDB will have a meeting with all its deputies and senators to reevaluate its support for the government. The mood of the party turned more serious after the president's support for Cardoso's candidacy because the PMDB is reluctant to approve measures offering electoral profit to the minister.

The PPR [Progressive Renewal Party] already has announced that it will again insist on the approval of measures keeping funds for education and housing intact. That could represent a loss of $2 billion for the FSE. The party will try to close an agreement with rebellious PMDB legislators that might make the life of the government miserable. That alliance is supported even by some groups inside the PFL, which is also against Cardoso's candidacy. On 18 February, legislators again could not gather enough numbers for a quorum for a session. There were 40 deputies on the premises and only 18 of them went to the auditorium to ask if there was going to be a session.

Cardoso Says Dissatisfied Ministers Should Resign

PY2202141294 Rio de Janeiro O GLOBO in Portuguese 21 Feb 94 p 3

[Text] Brasilia—Finance Minister Fernando Henrique Cardoso said yesterday that the government will not change the composition of the Social Emergency Fund (FSE) that will be voted on in the second round on 23 February. Asked about the opposition of Ministers Murilio Hingel (Education), Henrique Santillo (Health), and Leonor Franco (Social Welfare) to the composition of the fund, Fernando Henrique Cardoso said that those who are against it should resign.

If any minister works against the economic plan, he should have the courage to resign, said Cardoso after holding a confidential meeting with President Itamar Franco at the Brasilia Air Base.

Cardoso alerted President Franco to the problems in having the emergency fund approved and to the need for the government to firmly maintain its proposal.

Cardoso said: "The government is united. The creation of the fund is a government decision."

He reiterated to the president—as he did last week during the carnival celebration—that it would not be wise to make any concessions on the cuts made to the budget to create the emergency fund. The president organized a meeting with the ministers who were dissatisfied with the economic team but he later cancelled the meeting.

The ministers of education, health, and social welfare worked with Congress to change the composition of the fund because they want a higher budget for their ministries. Minister Cardoso, who was irritated by the ministers' behavior, did not give in to the pressure and President Itamar did not disavow him either.

Cardoso said: "There is nothing to negotiate in the proposal. The government will not give up the goal of zero deficit. As Congress already approved it in the first round, I do not believe it will change its point of view either because it is hot or it is cold."

Constitutional revision rapporteur Deputy Nelson Jobim (PMDB-RS) [Brazilian Democratic Movement Party-Rio Grande do Sul] said he rejected the 31 amendments to change the fund's composition, thus keeping the proposal approved in the first round.

Health, Education Ministers Not To Leave

PY2202160194 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 21 Feb 94

[Excerpts] Health Minister Henrique Santillo denied having threatened to resign and said he is not playing the role of a blackmailer by asking that more funds be allocated for health.

Santillo said he is not planning to leave the government because he is not against approval of the Social Emergency Fund, FSE. He asserted that he did his best to convince congressmen to increase health allocations in 1994, but did not speak against the FSE. He added that as soon as the FSE is approved, he will again talk to Finance Minister Fernando Henrique Cardoso and President Itamar Franco and try to obtain more budget resources: first, for the hospital assistance program and then for other Health Ministry programs.

Santillo refuted rumors that he was planning to leave his position, and added that he will remain at the head of the Health Ministry until the end of his mandate. [passage omitted]

Education Minister Murilio Hingel said he does not oppose the FSE, and he does not plan to leave his position because he believes in the plan proposed by the government. [passage omitted]

Finance Minister Cardoso's Influence Viewed

PY2202141894 Rio de Janeiro O GLOBO in Portuguese 20 Feb 94 p 5

[Article by Ricardo Amaral]

[Excerpts] Brasilia—The behavior of President Itamar Franco while watching the samba groups on the carnival parade ground and his withdrawal to Juiz de Fora during a delicate political situation could have provided fuel for a new crisis, even during carnival. Meanwhile, on 18 February the Sao Paulo Stock Exchange, which is one of the organizations that best reflects the feelings of society, suffered a jolt: a drop of almost 10 points. Are Franco and model Lilian Ramos to blame? Partly. According to a market expert, the stock market fell because in the morning of 18 February there was a rumor that Finance Minister Fernando Henrique Cardoso went to Juiz de Fora to submit his resignation.

The rumor did not turn into reality but the reaction of the stock market shows that Finance Minister Cardoso has become a more important point of reference than the president. Even if President Franco and Minister Cardoso were prisoners in the same boat, they would be treated by Congress as separate forces, as happened on 17 February when Deputy Nelson Jobim (PMDB-RS) [Brazilian Democratic Movement Party—Rio Grande do Sul], the rapporteur of the constitutional revision, criticized President Franco for proposing Cardoso's presidential candidacy. According to Jobim, the president's proposal obstructs the negotiations for voting on the Social Emergency Fund. [passage omitted]

The presence of Minister Fernando Henrique Cardoso in the government today is what gives perspective to society. He represents initiative, he gathers power around him, and even his personal contacts with Franco give support to the president.

These are compliments but they are the type of comments that leave the minister concerned and the president annoyed. Of the four finance ministers in the country in the last 16 months, Cardoso is the one who has been able to maintain cordial, frank, and constant relations with Franco for the longest time. [passage omitted]

He represents power and work. While Franco remained in Juiz de Fora, Minister Cardoso was one of the four ministers working in Brasilia on 18 February and preparing his agenda for the next day. With one hand on politics, he articulated the voting of the Social Emergency Fund to be held on 23 or 24 February. With the other hand on the economy, he was preparing the very complex monetary transition to the URV [Real Value Unit].

IMF 'Pessimistic' After Initial Look at Finances

PY2202160294 Rio de Janeiro O GLOBO in Portuguese 20 Feb 94 p 38

[Article by Miriam Leitao]

[Text] The IMF mission is returning to Brazil this week but the experts are pessimistic in view of the problems they are finding in the Brazilian accounts. At the end of the first verifications they made of the Brazilian public accounts last week, they came to the conclusion that not even the zero operational deficit was achieved. The operational deficit includes financial spending, and to have a zero deficit it is necessary that the country achieve enough primary surplus to compensate for paying the debt interest.

The government promised to achieve the zero operational deficit. The IMF really wants an operational surplus that, honestly speaking, is an unobtainable goal. But according to the verifications made by the IMF team, not even the promise made by the government is being fulfilled despite all the effort for the fiscal adjustment being debated in Congress.

There is a good possibility that the Social Emergency Fund will be approved in the second round this week. Even the opposition congressmen admit they will have problems in bringing the 293 deputies needed to debate any amendments. The economic team only admits one problem: If new negotiations are needed, the government has nothing to yield.

The team is preparing charts to clarify the Social Emergency Fund's final version. So many changes were made that even the deputies who take care of this matter in detail are confused about how the fund is made up. The charts will be distributed to the deputies by leader Luiz Carlos Santos.

If this effort does open the way for an agreement with the IMF, part of Finance Minister Cardoso's strategy will be ruined.

Union Leader Opposes URV; Threatens General Strike

PY2202201394 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 21 Feb 94 p B1

[Interview with ABC Metal Workers Union President Vicente "Vicentinho" Paulo da Silva, by Liliana Pinheiro; place and date not given]

[Excerpts] [Pinheiro] How do you evaluate the country now that carnival is over?

[Paulo da Silva] You mean after the president flirted with a girl without panties? Without being falsely moral, I was ashamed.

Regarding the government, we will continue to criticize what we have always criticized. The measures being prepared offer us no guarantees. Minister Fernando Henrique Cardoso makes more mistakes than the ministers of the military regime. He knows that easy measures like increasing taxes are not enough. Such measure will appease the crisis only for a few days.

[Pinheiro] Has the government taken too long to react?

[Paulo da Silva] Look at the car industry agreement which obtained a collective commitment and which created jobs. Unfortunately the agreement was not repeated in other industries. The government has been very shortsighted because it could have made everyone committed to the development of the country.

[Pinheiro] What does the labor movement expect from the creation of the URV [Real Value Unit]?

[Paulo da Silva] To establish salaries based on a URV calculated from the previous month's average price increases represents a salary squeeze. In our case we would loose one month's salary increase which amounts to 40 percent. What can the URV do against inflation? Does this mean the government will create a currency that can be manipulated, that will not take into account price increases? Will salaries be controlled by this currency? The government cannot do this. This could worsen the already poor distribution of wealth in Brazil. It is condemning those in the slums to stay in the slums. Beside this, there is no mechanism forcing the businessmen to establish their prices in URV.

[Pinheiro] What if salaries are related to the previous month's average price increases?

[Paulo da Silva] We will hold an assembly next 25 February to discuss the salary campaign. If a salary squeeze is imposed on us, a general strike will have to be considered at a national level.

[Pinheiro] A national general strike?

[Paulo da Silva] We cannot allow society to again pay for the bankruptcy Brazil has been led to. I am speaking of the workers, the small businessmen, who pay more taxes than big businessmen, than everybody else.

[Pinheiro] You will probably win the CUT [Sole Workers Center] elections in three months. Will your administration be marked by large mobilizations?

[Paulo da Silva] The CUT cannot lose its great weapon which is its mobilization capability. Negotiation is worthwhile only if you are strong. Current conditions to defend the workers are concrete. The government better not fool around. Remove our accomplishments and see what happens. Perhaps because of its immaturity, the government is overlooking the labor movement's mobilization potential.

[Pinheiro] The Union Force is also calling for a strike. Could labor unions unite in a national strike?

[Paulo da Silva] The CUT will not negotiate with [Labor Force President] Luiz Antonio de Medeiros. There are different interests and total antagonism. There is a possibility of dialogue but with serious people of the Labor Force. Medeiros is losing credibility. [passage omitted]

[Pinheiro] You will support Lula [Workers Party President Luis Inacio Lula da Silva] for president. Is the labor union structure part of this support?

[Paulo da Silva] The labor union cannot remain isolated from national changes. It must not favor a party but it can be politicized. We will call the candidates we like and place our support at their disposal. The labor union will not lend money to any political party but we are free to politically support Lula, just as Medeiros is free to support Collor or Maluf.

PMDB's Quercia Criticizes Presidential Rivals

PY2202140994 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 22 Feb 94

[Text] Orestes Quercia disclosed the tone of his campaign for the presidency of Republic.

During a meeting of the PMDB [Brazilian Democratic Movement Party] regional leadership in Sao Paulo, Quercia said he will not play nice during the campaign, and on 21 February he already started attacking his possible adversaries in the presidential succession.

The main targets of Quercia's attacks were Deputy Antonio Britto, Ceara Governor Ciro Gomes, and Mayor Paulo Maluf.

Quercia's candidacy enjoys the support of most of the members of the regional PMDB leadership; however, he does not have the support of the federal bloc nor of the deputies who back Governor Luiz Antonio Fleury Filho.

CPI Report Outlines Money Laundering Scheme

PY2202174794

[Editorial Report] Sao Paulo O ESTADO DE SAO PAULO in Portuguese on 20 February publishes on page A12 a 700-word article by Gabriel Nogueira entitled "Deputy Denounces Air Taxi Companies."

The author bases his article on a report by Deputy Jose Dirceu based on Congressional Investigating Committee, CPI, and Federal Police investigations of the Paulo Cesar, PC, Farias and budget corruption schemes.

The author says the creation of "air taxi companies has become one of the most lucrative ways to launder money earned irregularly. Most large construction companies involved in the PC and budget scandals have planes registered as air taxis, which are used by legislators and public company executives in exchange for favors and in order to evade taxes."

The author says most companies use the legal benefits of current legislation granting tax exemptions to air taxi companies and facilitating the remittal of dollars abroad through leasing operations.

The author says: "Dozens of people open ghost companies abroad in the name of figureheads to purchase planes in the international market. Jose Dirceu says that once this is done, the local company makes a contract with 'the foreign company' for a rental operation (leasing) and starts legally remitting large sums of money abroad." The author says an additional advantage is that the law allows companies to deduct the amount paid for renting the planes from their tax reports.

The author says: "Civil Aviation Department, DAC, rules that regulate the operation of these planes are not respected and transgressors go unpunished because of the lack of supervision. There is no control over the millions of dollars sent abroad through false plane leasing operations."

The author says that "besides the famous cases of Brasil Jet and Mundial Aerotaxi owned by Paulo Cesar Farias," Deputy Jose Dirceu mentions the Taming company owned by Mendes Junior Construction Company, Aerotaxi Pampulha owned by Andrade Gutierrez Construction Company, Wanair owned by Cowan Company, the plane fleet owned by Tratex Construction Company, Crasa Taxi owned by CR Almeida Company, Morro Vermello owned by Camargo Correa Construction Company, Embrataxi owned by former Minas Gerais Governor Newton Cardoso, and the Plata company owned by economist Jose Carlos Alves doe Santos.

Party Leaders Negotiate Constitutional Amendment Agenda

PY2302002494 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Feb 94 p A6

[Text] Brasilia—Congressional leaders will today make a new effort to guarantee the amendment of the Constitution. Leaders of the parties that endorse the amendment will meet this morning with PMDB [Brazilian Democratic Movement Party] Senator for Paraiba Humberto Lucena—the president of the Constituent Congress—in

another attempt to design a minimum agenda for the debates that will follow the voting on the Social Emergency Fund (FSE). The leaders want, as of March, voting sessions to be held on weekends. This afternoon they will set 31 May as the new deadline to conclude the work by the Constituent Congress following a request by Federal Supreme Court (STF) justices and by Attorney General Aristides Junqueira as a precondition for immediate promulgation of the FSE bill.

During the meeting, PMDB Deputy for Rio Grande do Sul Nelson Jobim, rapporteur of the Constituent Congress, will once again call on party leaders to mobilize their blocs. Jobim complained that party blocs—especially his own—are indifferent toward the amendment. He is annoyed with some PMDB sectors who are negotiating with the "contras" over a minimum agenda for the amendment, which will reportedly exclude modifications in the Economic Order chapter. PFL [Liberal Front Party] Deputy for Pernambuco Inocencio Oliveira—the president the Chamber of Deputies—said if this chapter is excluded, the amendment process will not take place. "The PFL, PPR [Progressive Renewal Party], and the PP [Popular Party] will not participate under that condition," he warned.

Deputy for Santa Catarina Luiz Henrique, the president of the PMDB, today will meet with the "contras"—the PT [Workers Party], PDT [Democratic Labor Party], PSB [Brazilian Socialist Party], and PC do B [Communist Party of Brazil]—to agree on a minimum agenda that might be endorsed by those parties and by the PMDB. Germano Rigotto, the PMDB deputy for Rio Grande do Sul—one of the lawmakers who wants to exclude the Economic Order chapter from the minimum agenda—has said that if there is no negotiation, the amendment will remain stalemated. He added that the PFL, the PPR, and the PP are wrong when they say the amendment will be meaningless without modifications to the Economic Order chapter. He stated: "The country's problems are not related to monopolies or to restrictions on foreign capital, they are related to the tax system, the social security system, the electoral system, and the budget."

PPR Deputy for Rio Grande do Sul Adylson Motta—the vice president of the Constituent Congress—who witnessed the PMDB preparations, said: "Once the FSE bill is approved, the government will leave the amendment process." PFL and PPR lawmakers share this feeling of distrust. Jobim is not very certain of the participation of the PMDB and the PSDB [Brazilian Social Democracy Party] in the amendment work once the second phase of Finance Minister Fernando Henrique Cardoso's plan has been approved. PFL Deputy for Bahia Luis Eduardo Magalhaes—the PFL leader in the Chamber of Deputies—wants to take advantage of today's meeting to make government leaders formally promise that they will work for the amendment.

Official Views Danger of Slow Constitutional Revision

PY2202163894 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Feb 94 p A7

[Interview with Strategic Affairs Secretary Admiral Mario Cesar Flores by Tania Monteiro; place and date not given]

[Excerpt] [Passage omitted] [Monteiro] Won't President Itamar Franco's decision to start Finance Minister Fernando Henrique Cardoso's presidential campaign threaten voting on the Social Emergency Fund [FSE]?

[Flores] I believe the president would like to see Cardoso elected. There are different opinions on whether this was the appropriate moment for Franco to comment on the issue, and I do not want to go into this discussion. I do not believe, however, that Franco did that to focus the country's attention on something other than the economic crisis. I believe he talked about the issue because deep inside this is what he wishes.

[Monteiro] His comments, however, had a different effect in Congress.

[Flores] Congress reacts to everything. Those who oppose the approval of the FSE and some items of the constitutional revision supported by the economic team will use the opportunity to oppose the plan. I earnestly believe that Cardoso's possible presidential candidacy may become a reality. Nonetheless, we cannot agree with those who use this possibility as a reason to create difficulties in the debate and approval of the constitutional revision issues. This is against the country's interests.

[Monteiro] Would you vote for Fernando Henrique Cardoso?

[Flores] I will not answer that question.

[Monteiro] Your talks with Workers Party congressmen have been prompting rumors that you might run with Luis Inacio Lula da Silva.

[Flores] No one has ever discussed that with me. I have never been asked about this possibility, directly or indirectly. From the candidacy viewpoint, this would be legally impossible because I am not affiliated with any political party. This is foolish speculation.

[Monteiro] Would you vote for Lula?

[Flores] One only chooses a candidate when the electoral scenario is defined. Lula probably will be a candidate, but I do not know who will be the other candidates. The problem is that the Brazilian electoral process has a few inconveniences that create a dramatic situation at the moment of casting a vote. Instead of voting for someone I believe to be the best candidate, I am forced to vote for the person who will be less harmful to the country. So far, this is the way I have been making my choices and this is bad for the political system.

[Monteiro] How do you evaluate the country's current situation?

[Flores] Personally, I believe that if we do not overcome the constitutional revision bottleneck, we will lose control. There is imbalance between what is asked from the government and the government's capacity to answer the requests. This imbalance has to be overcome in the constitutional revision. We cannot ask from the government more than it has to give. If we continue to ask the government for more than it has to give—we are witnessing this in the areas of social security, health, and education—we will end up in a very difficult situation. I don't know what will occur. I believe, however, that emergencies end up creating solutions. Therefore, if the governability crisis becomes worse, we will have emergencies and the pressure exerted by them will bring about solutions, which will be political solutions.

[Monteiro] Could the solution be a military one?

[Flores] Absolutely not. A military solution is impossible in today's Brazil.

Ricupero on Efforts To Harmonize Environment, Trade

PY2202192694 Rio de Janeiro O GLOBO in Portuguese 21 Feb 94 p 12

[Article by Deborah Berlinck]

[Text] Geneva—Shrimp fishermen in northeastern Brazil will have to change their fishing nets. The problem is not quality, but the fact that U.S. scientists believe these nets kill turtles. The United States has a solution: a law banning the importation of shrimp from countries that use this type of nets. If this law is implemented against Brazil, fishermen in the northeast will loose $30 million per year.

This situation makes one wonder who establishes the trade rules and international environmental patterns. This question prompted environment ministers from 25 countries to meet on 17 February at the United Nations to discuss a basic issue: How to harmonize the freeing of world trade with the preservation of the environment. The meeting, which was headed by Brazilian Environment and Legal Amazon Region Minister Rubens Ricupero, failed to provide an answer.

The developing countries reached at least two clear decisions: They will not accept the preservation of the environment as a pretext for new barriers on exports of poor countries. Any decision in this direction must be taken at multilateral forum to avoid, for example, a country like the United States unilaterally deciding what sort of net is best for fishing shrimps in Brazil.

In this specific case, Ricupero maintains that the fishermen, afraid of being unable sell their catch to the U.S. market, are prepared to pay up to $10,000 for the TED [expansion unknown] type of net (which has a device to free turtles) and thus increase the cost of their catch. Fishermen in southern Brazil, who do not export to the United States, see no reason for change. The minister disclosed that a recent survey in the northeastern region revealed that during 4,000 hours of fishing, only two turtles were caught by the nets currently used in Brazil.

Widespread complaints that rich countries are using trade as a tool to impose their environmental patterns prompted the ministers to discuss another issue: In the event of a conflict like that of the northeastern shrimps, who will decide if the U.S. argument is right or wrong? Currently nobody has that authority, not even the UN environment agencies, not even the GATT.

Brazil and several other countries agree that the UN Environment Protection Program should arbitrate: Faced with a commercial conflict within the GATT involving an environmental aspect, the organization would give a decisive scientific opinion.

Secretariat To Implement Border Control Plan

PY2202151994 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Feb 94 p 94

[Excerpts] Brasilia—The government has decided not to continue waiting for the Constituent Congress. It has reported on its plans to control, through a draft bill, the use of the 150-km-wide strip of territory along the Brazilian border with other countries. In accordance with the project the Strategic Affairs Secretariat sent to congress, any initiative for the border strip will have to be discussed first with the Executive Secretariat of the National Defense Council. [passage omitted]

The draft bill sent to Congress by the government establishes that the National Defense Council will have to make all decisions about the border strip area: be it about the purchase of buildings by foreigners, the demarcation of indigenous land, scientific expeditions, the installation of television and radio services, and the admittance or work of religious missions and nongovernmental organizations.

Visiting Argentine Defense Minister Denies Rearmament

PY2302015494 Buenos Aires CLARIN in Spanish 22 Feb 94 p 8

[Report by special correspondent Luis Garasino from Brasilia]

[Excerpt] Defense Minister Oscar Camilion has described as "delirious" the opinion of a Sao Paulo newspaper stating that the purchase of 36 Skyhawk fighter-bombers by Argentina upsets the regional strategic balance and puts the Brazilian Air Force in a position of inferiority.

Camilion told CLARIN that, even if the neighbor countries do not purchase any materiel, when the Skyhawks

join our country's Air Force "they will barely be enough to reestablish a sort of regional air balance."

The defense minister—who is on a five-day visit to Brazil—believes it is a "very personal" opinion of the O ESTADO DE SAO PAULO editorialist, an opinion "that is not shared in any way" because "I have not received any direct or indirect expression of concern from the Brazilian Government areas that I have toured so far."

Camilion met Army Minister General Zenildo Gonzaga Zoroastro de Lucena, with whom he discussed the possibility of Brazilian officers joining the Argentine peacekeeping forces that are operating in Croatia, Cyprus, and Mozambique. Camilion will be received by Brazilian President Itamar Franco today. The Brazilian Government is concerned because some 600 U.S. soldiers will be deployed in Paraguay as of May.

During Camilion's meeting with the Army minister, they also discussed an increase in the exchange between the two armies at the level of company grade officers from operational units. Discussing the border security issue, Minister Camilion noted: "The Brazilians envy our national border police and regret the fact that they do not have a coast guard corps like our coast guard."

During these talks it became obvious that the southern border does not represent a concern for the Brazilian military, which has initiated a redeployment of their forces toward northern Brazil and the Amazon region. It also became obvious that Brazil is worried about drug trafficking but is reluctant to join transnational strategies to struggle against this scourge. [passage omitted]

Russians Visit To Learn About Hyperinflation

PY2202153194 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Feb 94 p B6

[Article by Isabel Dias de Aguiar]

[Excerpt] Brazilians' ability to live with a high inflation rate has caught the attention of people outside our borders. A Russian banking delegation, representing 10 financial institutions, arrived in Sao Paulo in early February with the objective of learning a little bit of the know-how [previous word in English] Brazilians have developed in this regard. The delegation's objective is to learn how to operate a financial system with hyperinflation. [passage omitted]

Colombia

Foreign Ministry Confirms Past Employment of Ames' Wife

PA2302020294 Madrid EFE in Spanish 0057 GMT 23 Feb 94

[Text] Santa Fe de Bogota, 22 Feb (EFE)—The Colombian Foreign Ministry today confirmed Maria del Rosario Casas Ames, a U.S. citizen of "Colombian origin" who the U.S. Government says is allegedly involved in espionage, worked for the Foreign Ministry between April 1982 and December 1983.

A Colombian Foreign Ministry press communique stated Mrs. Casas, "prior to her marriage, worked for the Foreign Ministry in the post of civilian attache 1 EX in the Colombian Embassy in Mexico."

It was reported in Washington today Casas worked as a "paid CIA agent in Mexico, where she worked as a cultural attache in a foreign embassy." The U.S. Justice Department announced on 21 February the arrest of Casas and her husband, Aldrich Ames, a high-ranking CIA official, for allegedly spying for the dissolved Soviet Union and Russia. It is said they were "double agents," because they also "sold information" to the Russian KGB since 1985 for $1.5 million.

The Foreign Ministry added in the communique issued in Santa Fe de Bogota that "the Colombian Government is waiting for official confirmation about Mrs. Casas' alleged links to the U.S. CIA during the time when she worked as an official of the Colombian Embassy in Mexico."

Army Commander Works To Rescue Kidnapped Politicians

PA2202133394 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 21 Feb 94

[Text] Villavicencio—General Luis Bernardo Urbina, 7th Brigade Army commander, has claimed he is working earnestly to safely rescue Jorge Carmelo Perez Alvarado, candidate to the House of Representatives; Leovigildo Criollo, former San Juan de Arana mayor; and Jose Lozano, mayor of Puerto Rico, who were kidnapped by the Revolutionary Armed Forces of Colombia this weekend. Gen. Rubina said the situation is worrisome, but they are strengthening all actions to try to deter terrorism from escalating and to ensure tranquility.

Guerrillas Release Six Politicians

PA2202203994 Mexico City NOTIMEX in Spanish 1757 GMT 22 Feb 94

[Text] Santa Fe de Bogota, 22 Feb (NOTIMEX)—Colombian guerrillas have released six of the eight politicians kidnapped last weekend in central and southeastern Colombia, official sources reported today.

Colonel Edgardo Cuellar, police commander in Meta Department, said that among those released is Jorge Perez, the ruling Liberal Party's candidate for the Chamber of Representatives who was kidnapped last Sunday on a highway in the area. According to the source, the candidate is the bearer of a message from the guerrillas to the Colombian Government in which the guerrillas ratify their support for regional peace dialogues as an instrument for ending the armed conflict in this South American country.

Leovigildo Criollo, Perez' campaign coordinator, and Jose Lozano, mayor of Puerto Rico, Meta Department, were also released with Perez. "They treated us well. They only wanted to send a message of peace to the government," Lozano told local media.

Also released were city mayors David Delgado of Alejandria and Jaime Alonso Cano of Santo Domingo as well as John Jairo Duque, president of the Santo Domingo Council, all of whom had been kidnapped earlier by members of the Revolutionary Armed Forces of Colombia (FARC) and were released in San Rafael, Antioquia Department.

The Simon Bolivar Guerrilla Coordinating Board, which groups the two largest rebel groups in the country, began an offensive early this year to sabotage the legislative and presidential elections scheduled for March and May, respectively. As part of this offensive, tens of political party offices have been destroyed and five candidates to parliament and four mayors have been kidnapped in Antioquia, Tolima, Cundinamarca, Arauca, and Meta departments.

President Cesar Gaviria's administration announced that in view of the guerrilla offensive, the authorities have redoubled surveillance of the political groups and increased the corps of bodyguards for the various candidates. In addition, it warned that the wave of attacks will not intimidate the population, nor will it suspend the elections in any part of the country.

Poll Shows Samper Leads Pastrana in Presidential Race

PA1802191894 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 17 Feb 94

[Report by Azucena Lievano from the "24 Hours" newscast]

[Text] A poll paid for by the Bavaria Firm and conducted by the National Consulting Center among 7,550 people gives presidential candidate Ernesto Samper the advantage over candidate Andres Pastrana. The latest poll conducted by the National Consulting Center and reported today by Caracol shows that presidential hopeful Ernesto Samper Pizano has a five-point advantage over Andres Pastrana in the first president election and a seven-point advantage in the runoff election.

This poll, conducted between 3 and 8 February, days before the official announcement of the Pastrana candidacy, also includes other candidates. Some 3[illegible] percent of those polled said they would vote for Ernesto Samper, 33 percent said they would vote for Pastrana, 11 percent for Antonio Navarro Wolff, 4 percent for Miguel Maza Marquez, 3 percent for Enrique Parejo, 3 percent for Regina 11, 1 percent for Rodrigo Marin, and 1 percent for Juan Diego Jaramillo.

In the runoff election, 50 percent of those polled said they would vote for Ernesto Samper and 43 percent favored Andres Pastrana. In the poll, interviewees were also asked about the Liberal Party [PL] consultation. Samper came in first with 59 percent, while De La Calle came in second with 12 percent.

Amid this myriad of figures, candidates, polls, surveys, and elections, some people remain confused. To better inform the public, five elections will be held this year. The election to select congressional and presidential candidates for the PL will be held on 13 March. The first round of presidential elections will be held on 8 May; the runoff presidential election is scheduled for 29 May. The elections for governors, deputies, councilmembers, and local administrative boards will be held on 30 October. This will be the end of a long political year.

Conservatives Proclaim Andres Pastrana Party's Candidate

PA2002160994 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 19 Feb 94

[From the "24 Hours" newscast]

[Text] The Conservative Party national convention announced today from the Gonzalo Jimenez de Quesada Convention Center in Santa Fe de Bogota that Andres Pastrana Arango had been selected the party's candidate for president. Representatives of the party's various factions, as well as former President Misael Pastrana, Senator Enrique Gomez, and former Minister Cornelio Reyes, announced the sectors' agreement.

Nearly 3,000 of the 4,000 accredited convention delegates cast their votes at the country's 34 voting sites. All except one voted for Pastrana and approved a proposal giving the candidate a free hand to designate his candidate for vice president. The National Salvation Movement released a communique, signed by Gomez, asking the Conservative Party to join a crusade to restore morality. Reyes delivered the opening speech:

[Begin Reyes recording] The candidate we will support—and he has said this with commendable clarity—will not be the champion of any particular faction, but an apostle of national reconciliation. [end recording]

Former President Belisario Bethancur delivered a message emphasizing the national nature of Pastrana's candidacy. Former Foreign Minister Rodrigo Lloreda also attended the convention.

[Begin Lloreda recording] The country has a great opportunity to overcome the darkness of corruption. [end recording]

Everything was ready very early at the convention, which this time resembled the great U.S. conventions. Old and experienced party members met to proclaim a single person as candidate. That is why there were no ballots, as the statutes stipulate, only a ballot to vote for Andres Pastrana. The convention opened with the entrance of

former President Pastrana. He could not contain his eagerness and excitement and nearly cried when he referred to his son.

[Begin Misael Pastrana recording] The people who walk with he who walks with his own destiny are not mistaken. [end recording]

Although everything was prepared, time caught up with some in the afternoon. Official delegate Antonio Alvarez Restrepo raised his voice when he saw that the sound system was off. Now former candidate Rodrigo Llorente and the women who showed off their hats were seated in the front. Computers worked full steam ahead to tabulate the results of the voting in the departments, and the organizers did not allow anyone to enter the headquarters ahead of schedule. It took 12 hours to erect the stage to present a light, sound, and color show to proclaim Pastrana as the party's presidential candidate. The men responsible for this work are the same ones who produced the show to launch his campaign.

Despite Criticism, Gaviria's Image Remains Positive

PA2002173694 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 18 Feb 94

[From "Caracol's 0600 to 0900" newscast; all figures as heard]

[Text] CROMOS Magazine and the Caracol Radio Network hired the National Consultation Center to conduct a survey on 10, 11, and 12 February. A total of 280 men and 311 women were polled with 352 interviews conducted at the middle socioeconomic level, 66 at the upper level, and 182 at the lower level. When asked if they favored the presence of U.S. engineers in Juanchaco, 34 percent of the respondents said yes and 54 percent said no. Asked if they were familiar with the State Council's opinion on President Gaviria's decision to allow the military engineers in Juanchaco, 73 percent said yes and 27 percent said no. Asked if they agreed or disagreed with the State Council's position, 37 percent said yes, 32 percent said no, and 4 percent either did not answer or did not know.

When the 600 Colombians were asked if they had heard, watched, or learned of the president's strong reply to the State Council, 71 percent said yes and 29 percent said no. Asked whether they agreed or disagreed with the president's reply, 27 percent said they agreed, 40 percent said they disagreed, and 4 percent said they did not know or did not answer.

When asked the final question of whether their image of President Gaviria was positive or negative, 54 percent said it was positive, 41 percent said negative, and five percent said they did not know or refused to answer.

Despite criticisms in the past few weeks for flying a folkloric musical group in the presidential plane to celebrate his wife's birthday and the controversy elicited by the U.S. military engineers in Juanchaco, Valle Department, Gaviria's image is still good and his popularity is still well above 50 percent. His popularity rating reached 65 percent last year.

* Pastrana Discusses Campaign, Current Issues

94SM0222A Santa Fe de Bogota SEMANA in Spanish 8 Feb 94 pp 26-31

[SEMANA Interview with Conservative Party presidential hopeful Andres Pastrana Arango; place and date not given: "Pastrana Speaks Out"]

[Text] Only hours before formally announcing his presidential candidacy and following months of silence, Andres Pastrana agreed to an interview with SEMANA in which he spoke about Gaviria, the new right, the economic liberalization [apertura], the Cali Cartel, kidnappings, relations with Venezuela, and his father, former President Misael Pastrana.

[SEMANA] It has been said that your campaign will target a small number of basic issues. Which ones?

[Pastrana] When I launch my campaign, I will tell the country what the main issues of my government program are. They are seven in number and special emphasis will be placed on social issues. On 10 February, Colombia will realize that it is a serious, solid program that will propel the country into the 21st century. My platform will seal my ineludible commitment to Colombia.

[SEMANA] Why did you wait so long before launching your campaign? What benefits do you think can be derived from making it a lightning campaign, as many call it?

[Pastrana] It is not a lightning campaign. Every political campaign has its time. In Europe, campaigns last 30 days. Please remember that I do not aspire to any candidacy in the preliminary campaign. I am a candidate for the May elections, not the March or October elections, as others claim. I am not a person who improvises, much less makes casual promises. I am a man of my word, a man who keeps his commitments. That is why I took several months to draft the government program that I shall submit to the Colombian people for their judicious examination, months that I spent listening to and learning from others. I toured the country and concluded that I share a common vision with the people concerning our country's most urgent problems and the course it must take.

[SEMANA] Why do you think the Colombian people should back you in the presidential elections?

[Pastrana] Because I am familiar with and know in what direction the country should be headed. I have experience and keep my commitments, as I have demonstrated in my public and private life, in the practice of journalism, and in my terms as mayor and in the nation's Senate. They should back me because I will seek to

surround myself with the best people without distinction as to party, race, creed, or social status. Finally, I believe firmly in Colombia and will not fail Colombians in my pledge to implement my government platform.

[SEMANA] Your adversaries criticize the great influence which they believe your father, former President Misael Pastrana, has on you. How are your relations with him and how dependent on him are you? Do you think you would be a candidate if you were not the son of a former president?

[Pastrana] My relations with my father are excellent. I have said so before and I repeat it now. What is more, I admire, respect, and love him, as do the rest of my brothers and sisters. Nevertheless, we are different persons living in different times. We have disagreed on many occasions in public and in private. He has been a harsh critic of some acts of government that I have backed. He condemned the president's candidacy for the Office of Secretary General of the OAS. In contrast, I supported it, deeming it a positive thing for Colombia. He is very respectful of my opinions and my way of looking at politics, and I respect his equally.

As for the second question, I am not one for responding to mere conjectures. Nevertheless, you can be sure that I definitely would have been a candidate. My responsibilities in the public sector have always been backed by the people's votes.

[SEMANA] There are those in this country who think that Cesar Gaviria has already carried out enough reforms in the legal, political, and economic areas, and that it is up to his successor to administer those changes and stabilize the rules of play. Do you share that vision?

[Pastrana] I share the vision which President Cesar Gaviria has of the country. The reforms initiated by his administration are a starting point. While Colombia has made a major shift, it will be up to the next president to consolidate processes, introduce adjustments, and carry them out in the face of many problems with innovative, realistic ideas.

[SEMANA] The issue of the guerrillas remains on the agenda. Do you think that after an attack such as the one on the minister of finance and a slaughter of poor people like that carried out by the guerrillas in Uraba, it is possible to reopen the doors to dialogue and a negotiated settlement?

[Pastrana] Colombia has had important lessons in how to handle the guerrilla problem. By my very nature, I support reconciliation. I am not one of those who close a door and throw away the key. And yet, I shall not allow peace to become a "leg up" for continuing the war. We have become accustomed to governments that swing back and forth between war and peace. If there is any one thing that we Colombians must bear in mind, it is that it is not the government that is waging the war. The National Government has an obligation to defend the life, honor, and property of all Colombians, independently of what friendly or barbarous acts the guerrillas and criminals commit. It has no choice. That is why there can be no argument about strengthening the military forces and intelligence units.

[SEMANA] Do you think that the solution to the stalemate in these negotiations could be the beginning of regional dialogues, as the guerrillas are asking?

[Pastrana] The president is the one responsible for maintaining law and order. He has a constitutional mandate that he must heed, enforce, and not delegate. Otherwise, we would end up dividing the country unnecessarily. I do not even want to imagine that one of the FARC [Revolutionary Armed Forces of Colombia] fronts could be slaughtering children in Cauca while another is attending a political cocktail party in the capital and all under the same central command! And yet, regional and local authorities do play a key role in ensuring the pacification of the country. They know the factors of violence in their region better than anyone else. It is therefore their duty to support the government in enforcing law and order, to advise and heed it, without this turning into a license for entering into a dialogue with the guerrillas behind the president's back.

[SEMANA] Will you keep the office of minister of defense in the hands of a civilian or, on the contrary, do you intend to name one of the highest-ranking officials of the Armed Forces, as has been done in the past?

[Pastrana] I like the institution of the civilian minister of defense very much and it has functioned well, even better in the hands of persons like the husband of the manager of my campaign.

[SEMANA] What do you think of the contacts which the Office of Prosecutor General has maintained with the attorneys of the Cali Cartel? Do you think it would be meaningful, as has been proposed during those contacts, to reach an agreement with that group implying that their leaders could serve their prison sentences in their own homes?

[Pastrana] I do not favor allowing prison sentences to be served at home. That is an absurd idea that would never have entered my head. The policy of bringing criminals to justice cannot become a policy of bringing justice to the criminals. The government's efforts to reduce violence cannot lend themselves to improvisations or an under-the-table manipulation of our system of justice.

[SEMANA] What is your opinion of the antikidnapping norms, particularly the debate generated by a decision of the Constitutional Court and by Dr. Carlos Upegui to the effect that relatives of kidnap victims should not be prevented from bargaining over their ransom?

[Pastrana] I am convinced that there is no argument, not even one that could grow out of possible political agreements with guerrilla groups, that would justify granting pardons or amnesty for that atrocious crime. There is no

justification for kidnapping and those who engage in it must know this unequivocally. We cannot make progress toward eliminating it if we do not establish certain concrete guidelines once and for all. We cannot yield to blackmail.

I was a sponsor of the antikidnapping law in the Senate and unreservedly backed the measure of the Free Country Foundation. Now that we know the Court's ruling, which substantially limited the range of the law, we must think of effective alternatives in order to fight the kidnapping industry without wavering. I am happy that Carlos Upegui is free and I am sure that he repudiates this crime of *lese humanite* as I do.

[SEMANA] You are considered a leader of the new right. Along that line of ideas, what do you think should be the future of the policy of economic liberalization [apertura] and privatizations?

[Pastrana] That is an outdated label in a world where action speaks louder than words. Rhetoric has to take a back seat. We live in new times and accomplishments take priority. I am not of the new right, nor am I a neoliberal, as some insist on calling me. I believe in sustained economic growth capable of guaranteeing a better distribution of income and a substantial improvement in the standard of living of the Colombian people.

Along that line of ideas, the future of the policy of economic liberalization will depend upon providing our productive sector with better tools so that it may be more efficient and competitive and thus generate productive jobs. A joint effort is required in which both the government and the private sector assume their responsibilities. The latter cannot do it alone. It has already done a great deal and now it is up to the government to do likewise.

Privatizations are not a panacea. They are not inherently good or bad. I think they are a good idea if they guarantee efficiency in the case of public services and an interesting alternative for generating resources that will enable the government to properly meet its social obligations, obligations that it can neither postpone nor delegate, such as education, security, and justice.

[SEMANA] Speaking of privatizations, do you think they should continue to be carried out by auctions?

[Pastrana] Whatever procedure is followed must be transparent. However, I do not agree that the most important thing is to obtain the highest price. In some cases, it may be important for the enterprise being privatized to have a leader who can impose efficiency. In other cases, there may be a greater possibility for many Colombians to participate and thus democratize property. That is a debate which has not yet taken place in Colombia and which the recent Court ruling puts on the carpet.

[SEMANA] Another latent proposal is the possibility that Colombia may join the ranks of the Free Trade Agreement that now involves Mexico, the United States, and Canada. Will you back that initiative?

[Pastrana] Yes, I would. The Free Trade Agreement offers us great possibilities and opportunities and it would therefore be desirable to be part of it at the earliest possible date. Nevertheless, I do not think we are at the top of the list of candidates, which means that what is most important is to make the most of the time available and adequately prepare to enter that market with a solid, competitive industry.

[SEMANA] One of the most important decisions that you will have to make in the weeks ahead is the name of your running mate: the vice presidential candidate. What qualifications will he have? Will he be a liberal or a conservative? Will he be young like you or an older person?

[Pastrana] It changes daily. I will make that decision later on.

[SEMANA] If you win the elections, you will certainly govern with a Congress having a Liberal majority. How do you expect to handle that situation, based on your conservative background?

[Pastrana] I shall try to form a consensus on the major national issues. We shall first determine which are the priority issues in my government program that require the approval of Congress. They will be solid projects that I am sure will enjoy legislative support. While partisan forces play a preponderant role in Congress, I am confident that there will be more congressmen who prefer the country's welfare over their efforts to obstruct the work of the government.

[SEMANA] You recently had a number of contacts with Venezuelan President Rafael Caldera. Do you think your good relations with that leader, whom many identify as anti-Colombian, can help resolve the dispute over the Gulf?

[Pastrana] Without question, the fact of having good personal relations with President Caldera can help improve the climate of understanding between our countries and even smooth the way to a resolution of the problem of the dispute, which does not mean that our friendship is the decisive factor.

[SEMANA] Colombia has never had a president who has not served as minister. Do you not agree that missing that step hurts you?

[Pastrana] It is generally agreed that the Office of Mayor of Bogota is the second most important post in the country. In addition to administrative management, the experience I gained in handling times of crisis brought on by the onslaught of the drug terrorists taught me important lessons. Having served as mayor of Bogota, with the commitment implied by election by the people, far exceeds the responsibility of any ministry.

[Box, p 31]

Andres' "Staff"

1—Luis Alberto Moreno: General campaign coordinator. With a degree in Business Administration from Atlantic University [as published] (United States), this former minister of development is a talented, discreet man and the "guru" of the Pastrana camp ever since serving as manager of "TV-Today News." Some view him as the political genius who "thought up" Andres.

2—Francisco Lloreda: Pastrana's private secretary when the latter was mayor of Bogota. In charge of coordinating operations. A graduate of the Javerian School of Law who specialized in Public Administration at the University of Colombia and who has a background in journalism at Cali's EL PAIS, the daily newspaper published by his father, Rodrigo Lloreda. Simple, serious, and circumspect, if Pastrana should become president, "Kiko," as he is called, would be the government's "Miguel Silva."

3—Claudia de Francisco: She has been and remains a "workaholic." Her resume contains such posts as vice president for marketing of the Bank of Colombia, the Office of Secretary of Finance of the District, and the post of manager of the Bogota Telephone Enterprise. Now, as administrative coordinator of the campaign and wife of Minister of Defense Rafael Pardo, she has become a bridge between "Pastranism" and "Gavirianism." Or the reverse....

4—Maristella Sanin: Close to Pastrana on the Senate bench of the New Democratic Force. In this campaign, she focuses her efforts on political support. A graduate of the Javerian School of Law, she is backed by her experience, not only in Congress, but also at the head of the Labor Ministry.

5—Diego Pardo: Although no longer the young blade that he was while serving as mayor of Bogota, this *cachaco* retains his fire, coordinating the Youth movement with Andres. In addition to serving as burgomaster of the country's capital—briefly—this graduate of the Javerian School of Law with a Master's from SMU in Dallas (Texas) served as director of CAR [Bogota Plain and Ubate and Chiquinquira Valleys Autonomous Regional Corporation] and superintendent of Exchange Control.

6—Carlos Duque: Adviser for communications, image, and publicity, he is also the man who practically revolutionized the image of political publicity in Colombia. The author of the first—and famous—poster for Luis Carlos Galan.

7—Juan Hernandez: Has been with Pastrana since the University of the Rosary, where they were classmates at the College of Jurisprudence. Served as councilman of Bogota, secretary of government during the Pastrana mayoralty, and consul in Houston (Texas). Heads the Multipliers Program.

8—Efrain Marin: Press director. Was on the staff of newsmen at "TV-Today News."

9—Gloria Isabel Ramirez: Publicity coordinator.

10—Marta de Arevalo: Volunteer coordinator.

11—Gustavo Pombo: Appointed to coordinate the campaign launching ceremony and the accompanying falderal.

12—Hernan Beltz: Financial coordinator. Civil engineer, but with an important career in the public sector (served as director of the National Planning Department and minister of public works), he was a member of the conservative board of directors of the Tequendama line. A personal friend of Alvaro Gomez.

* De Greiff Denies Disagreement Over Cali Cartel

* Letter to Editor

94P20407A Santa Fe de Bogota SEMANA in Spanish 25 Jan 94 p 17

[Letter to the editor of SEMANA by Prosecutor General Gustavo de Greiff]

[Text] In these remarks, Mr. Editor, I refer to the note "A Terse Send-off" in the "Confidential" column and the account titled "De Greiff vs. Reno" in issue No. 611 [18 January]

1. It is absolutely untrue that there are differences between the government, "which maintains a tough stance," and the Prosecutor General's Office, "which is ready to give in to a substantial degree." There are no differences between the former and the latter. With respect to the Prosecutor General's Office, it is not a matter of giving in or not giving in. The Prosecutor General's office must follow a set of judicial procedures, in strict compliance with the law, and cannot be prejudicial So, this terseness has its origin in this circumstance and not in the differences invented in your "feverish" imagination

2. It is absolutely untrue that I told Mrs. Reno that "the situation with the Cali cartel could be resolved by pardoning its principle leaders." I cannot grant pardons. You, and the source who was the originator of this information, should know this. Allow me to recommend that you exercise caution with this source because this person either harbors bad intentions in giving you false information or is very poorly informed.

Furthermore, the DEA [Drug Enforcement Administration] has officially told me that none of its agents said what you attribute to "authorized spokespersons" from that agency of the U.S. Department of Justice. Stop the irresponsible journalism!!!

[Signed] Gustavo de Greiff R., Prosecutor General

* SEMANA Editor Responds

94P20407B Santa Fe de Bogota SEMANA in Spanish 25 Jan 94 p 17

[Response to Prosecutor General De Greiff's letter from the SEMANA editorial staff]

[Text] With regard to the first information, related to the differences between the national government and the Prosecutor General's Office regarding the surrender of persons linked to the Cali cartel, those differences are part of the public domain and have been reported by various communications media. In the recent past, even high-level government sources from the Prosecutor General's Office itself have described in detail to this magazine discrepancies of this sort with the government regarding the case of the Cali cartel. In addition, the week before last this disagreement was confirmed once again to SEMANA by a high-level source from President Gaviria's cabinet. With respect to the reports on differences between the Colombian Prosecutor General and his counterpart in the United States, these reports have been confirmed both by sources in the U.S. Government and by Colombian cabinet ministers. Thus, Mr. Prosecutor General, it is not a question of either inventions, or feverish imaginations, or irresponsible journalism.

Paraguay

Paraguay River Allegedly New Cocaine Route

PY1902175294 Asuncion NOTICIAS in Spanish 19 Feb 94 p 41

[Text] The spread of coca plantations to southern Peru and the processing of cocaine paste have increased drug trafficking near Bolivia and Brazil. It necessarily follows that cocaine should get to consumer markets via new routes.

This information—which was provided by an international probe into narcotics control—together with the analysis of the data submitted by drug enforcement agencies in Paraguay have led to the conclusion that our country would be the new cocaine route.

The National Police's Narcotics Department and the National Narcotics Directorate [Dinar] are investigating this new route and all the evidence seems to indicate that the drug enters the country via the Paraguay River and is transported to a port, possibly Concepcion, or another located further upstream.

The National Police's Narcotics Department has sent personnel to Fuerte Olimpo to check a shipment of Brazilian cigarettes that were consigned to our country from Zarate Port, Bolivia.

This drew the attention of the police authorities as the expense involved in transporting the cigarette shipment via the Transchaco Highway to Santa Cruz de la Sierra, Bolivia, and from there to Zarate Port, where it is loaded into a motorboat that goes downstream in the direction of Concepcion is totally unjustified.

Following the exodus of authorities from Bahia Negra, the place is an ideal "post" for drug traffickers to send cocaine—which presumably comes from Colombia rather than from Santa Cruz de la Sierra—to the Pedro Juan Caballero cocaine cartel.

This new, small-scale cartel allegedly used this route to bring 150 kg of cocaine hydrochloride into the country at the end of last week. The Dinar and the National Police's Narcotics Department are currently delving into this issue. It is surmised that the shipment is already in Pedro Juan Caballero, the capital of Amambay Department.

There are concrete data to the effect that chemical products for processing cocaine are given in exchange for the drug. Ether, acetone, and hydrochloric acid come from Brazil through Bella Vista and are transported to Concepcion, from where they are allegedly shipped to Bolivia. The lack of transport, communications, and checkpoints enables the drug traffickers to continue their business unhampered.

Congress Enacts Law on Council for Magistrates

PY1902190394 Asuncion NOTICIAS in Spanish 19 Feb 94 pp 8, 9

[Excerpt] The passage of the Executive Branch's partial veto of the law on the Council for Magistrates by the Chamber of Deputies on 18 February did not come as a surprise to anybody. Following the acceptance of the veto, Congress enacted the law without Articles 42 and 47, which had been vetoed by the executive branch.

Even though according to standard procedure, the partial veto—which already had been approved in the Senate—had to be discussed in committee, Colorado Party Deputy Bernardino Cano Radil moved that the matter be discussed in a plenary session and his motion was adopted.

In light of the arguments made during the debate, deputies agreed to accept the president's decision to veto two articles of the law and the latter was carried with unanimous approval.

As of the moment it is notified of the enactment of the law by Congress, the Executive branch has 20 days to promulgate and publish the law, but, according to what congressmen pointed out, the Executive branch is expected to deal with the issue in an urgent manner so as to establish the Council for Magistrates as soon as possible. [passage omitted]

Liberal Party Leader Breaks Governability Pact

PY2102115794 Asuncion NOTICIAS in Spanish 20 Feb 94 pp 12, 13

[Text] On 19 February, PLRA [Authentic Radical Liberal Party] leader Domingo Laino announced that if the

serious social problems are not solved the party will form an opposition front that will tighten its stance and make concrete demands through mobilizations. This announcement marks the end of the Governability Pact between the opposition and national government.

Laino said there is a time for everything, and the opposition has patiently waited long enough to see if the government would improve things but unfortunately it continues to be partial, represents a single party, has not allowed the opposition to participate, and has not shown any political will to fight corruption.

Laino also said the party would seek new paths other than the Governability Pact to speed up the country's democratization because it believes the social situation in Paraguay is unsustainable.

The former "authentic" presidential candidate said the government has no political will to respond with due dignity and respect to social demands and charged that corruption continues to plague the state apparatus.

Laino added: "We believe that with only a 30 percent success in the struggle against corruption we already would have enough money to buy land and invest in the construction of hospitals and schools, which is precisely the key to the challenge we are facing."

The opposition leader said the current social situation is too serious; therefore, one cannot think about long term socioeconomic plans because in the long term we will have all died. In our case, we cannot even talk about a medium-term plan, only of a national emergency plan. Laino added that the social situation is absolutely serious and if the government does not respond to the demands now, we are going to find ourselves in a situation that may turn the current system not only unstable but also make the country ungovernable.

Laino then insisted again that the Paraguayan opposition must start thinking about changing its own policy regarding the government because it already has waited long enough and cannot continue waiting another seven months, and that the executive branch should be aware of this because "our attitude has always been responsible, sensible, but there are no signs of a solution to the social problems."

Politicians Say Governability Pact Not Broken

PY2102160494

[Editorial Report] The following reports are reactions to statements by Domingo Laino, leader of the Authentic Radical Liberal Party, PLRA, that the governability pact has been broken.

Asuncion HOY in Spanish, in its 21 February issue, carries on page 3 an unattributed 200-word article quoting Christian Democratic Party President Miguel Angel Montaner denying the breaking of the governability pact. He says: "'To the contrary, the pact has been greatly strengthened; on 19 February, for example, the multiparty negotiating board met in San Bernardino to discuss how to face the social problems.'"

The same newspaper, on pages 22 and 23, carries another 300-word unattributed article quoting Colorado Party President Eugenio Sanabria Cantero saying: "The possible breaking of the governability pact announced by PLRA leader Domingo Laino was not the result of an argument in the multiparty negotiating board," whose members met on 19 February in his house in San Bernardino and "where the issue was not mentioned at all." Sanabria Cantero, who learned of Laino's statements through the newspapers, said the multiparty negotiating board will meet again on 21 February to discuss the subject.

Also on 21 February, Asuncion NOTICIAS in Spanish publishes on page 6 a 500-word unattributed article quoting several politicians. Enrique Gonzalez Quintana, second president of the Colorado Party, says: "With or without a pact, the Colorado Party will solve the social crisis." PLRA Deputy Francisco Jose de Vargas states: "The real opposition members will not change their policy because they always fought corruption." PLRA Deputy Blas Llano says the "governability pact may have broken because it did not accomplish anything." PLRA Deputy Luis Delorme states that Laino "changed his attitude regarding the governability pact because he realized that it is not working." Presidential social adviser Oscar Paciello said he does not believe the pact should have been broken "because some of the opposition members are very optimistic about it."

Wasmosy Ousts IBR Chief, Board Members

PY2202175194 Asuncion ABC COLOR in Spanish 22 Feb 94 p 2

[Excerpt] President Wasmosy on 21 February ousted Cancio Urbieta, the controversial IBR [Agrarian Reform Institute] chairman, along with three of the five IBR board members. Urbieta and the IBR board members were summoned on 21 February to Government House to tender their resignations. In the afternoon, the executive branch appointed Hugo Halley Merlo as the new IBR chairman. [passage omitted]

Social Development Coordination Council Established

PY2202202794 Asuncion ABC COLOR in Spanish 22 Feb 94 p 4

[Excerpts] The executive branch yesterday issued a decree through which it establishes the Social Development Coordination Council [Consejo de Coordinacion Para el Desarrollo Social]. This council will advise the president on measures to satisfy the demands of social sectors and to help incorporate the have-nots into the mainstream of the national production and regional processes. The council will include representatives from the government, the private sector, political parties, the

church, and social and cultural organizations that seek to solve the peasant problem. [passage omitted]

The council will include representatives from the following ministries: interior; finance; education and worship; agriculture and livestock; public works and communications; defense; health; justice and labor; industry and commerce; and integration. The council will also have a representative from the Technical and Planning Secretariat.

The private sector will be represented by members of the ARP [Paraguayan Rural Association]; the Agroindustrial Exporters Federation; Cadelpa [Paraguayan Cotton Chamber]; Feprinco [Production, Industry and Commerce Federation]; UIP [Paraguayan Industrial Union]; peasant organizations; and the National Agricultural Society. The following union organizations will participate: CPT [Paraguayan Confederation of Workers]; CNT [National Workers Federation]; CUT [United Workers Trade Union]; and the National Indian Affairs Institute [INDI] board. In addition to non-governmental organizations, the following political parties have also been invited: the ANR [National Republican Association-Colorado Party]; the PLRA [Authentic Radical Liberal Party]; the National Encounter; the PRF [Febrerista Revolutionary Party]; and the PDC [Christian Democratic Party].

The council will also include two representatives from the cultural sector encompassing the press, radio, and television. There will be only one representative from the Catholic Church, the Evangelical Church, the National University, and the Catholic University. The representatives will be appointed by the executive branch at the proposal of the respective institutions and their services will not be remunerated. [passage omitted]

Peru

President Fujimori on La Cantuta Case Sentences

PA2202160994 Mexico City NOTIMEX in Spanish 0331 GMT 22 Feb 94

[Text] Lima, 21 Feb (NOTIMEX)—Today, President Alberto Fujimori disavowed the involvement of members of the Peruvian Armed Forces command in the kidnapping and murder of nine La Cantuta University students and a professor. The president also described the sentence handed down on Monday against 11 Army officers accused of the July 1992 disappearance of 10 civilians from the "Enrique Guzman y Valle" University also known as La Cantuta as "drastic and exemplary. We hope the sentence, which is in accordance with the law, will serve as an example so despicable human rights violations will not occur again in the future," the president stated after accusing some "political sectors" of attempting to harm Peru.

Fujimori pointed out that isolated cases such as La Cantuta must not, in any way, undermine the anti-terrorist strategy his administration is undertaking, and warned that "this policy will continue until subversive groups have been beaten." He insisted this strategy must continue to prevent limiting the Armed Forces in its determination to confront terrorism.

With respect to the approval of the controversial law transferring the missing La Cantuta civilians case to military jurisdiction, President Fujimori reiterated that the military courts "are the best guarantee" to ensure that those responsible will be penalized.

Yesterday, the Supreme Military Justice court sentenced one general, one colonel, one captain, and four junior officers to sentences ranging from one to 20 years imprisonment. The military court also exonerated another colonel and left the case pending against a lieutenant who is a fugitive. The military court also determined that neither the Army command or the National Intelligence Service (SIN) were involved in the case, and ordered that once the corresponding appeals had been evaluated, the case should be filed and the controversial process should be closed forever.

Political opposition sectors insist that General Nicolas de Bari Hermoza, president of the Armed Forces Joint Command as well as Army chief, and Vladimiros Montesinos, the controversial presidential adviser and SIN official should have both been included in the court proceedings. Fugitive Gen. Rodolfo Robels, who is self-exiled in Argentina since May 1993, identified Hermoza and Montesinos as leaders of a paramilitary commando group responsible for masterminding the massacre of the La Cantuta students and professor.

"I flatly deny that orders were ever issued by the Armed Forces command" to kidnap the university students, the president insisted in stating that "some sectors are trying to politicize this issue in order to hurt the country."

Heriberto Benitez, one of the three lawyers for the relatives of the missing civilians, disagreed with the way the military court conducted the case, and he believes there were numerous irregularities. Nevertheless, Benitez said he hopes that in the future a new congress and a new judicial branch will review the case and prevent the guilty parties from benefiting from a presidential pardon in the short run. "This is a process, which for us as plaintiffs, has not concluded yet since the appeals to the Supreme Court for the case to be returned to a civilian court are still pending."

He stated it is not a matter of the victims' relatives being satisfied with the sentences, regardless of whether they are 20 or 40 years imprisonment. This is a case that must be dealt with publicly in order for it to serve as an example to prevent any officer from repeating La Cantuta crime in the future.

Meanwhile, Jorge Avendano, dean of the Lima Bar Association [CAL] filed a motion of unconstitutionality

against the bill that approved the transfer of the La Cantuta case to military jurisdiction. The CAL lawyer pointed out that the document, filed before the Supreme Court of Justice's Court of Unconstitutionality, seeks to invalidate the so-called "La Cantuta" bill since he believes the norm "is not valid, and nonexistent also." He said the previously mentioned bill violates several legal principles. At any rate, he disclosed that with a sentence already having been rendered by a military court, "it will be very difficult to return it to civilian jurisdiction."

Correction to La Cantuta Sentencing

PA2202215994

The following correction pertains to the item subheaded "Sentences Handed Down," published in the Peru section of the 22 February Latin America DAILY REPORT, page 57:

Column one, last paragraph of item, first sentence, make read: ...prosecutor and the district attorney [procurador publico] did not agree with the sentences [penas], indicating they will.... providing vernacular, changing "verdicts" to "sentences")

Pending Ministers Undergo Swearing-In Ceremony

PA2302004394 Lima Radio Programas del Peru Network in Spanish 1800 GMT 22 Feb 94

[Report by Carlos Alvarado from the Government Palace's Gold Hall in Lima; from the "Newspaper of the Airwaves" newscast—live]

[Excerpt] The ceremony to swear in the ministers who were still pending got underway a few minutes ago at the Government Palace's Gold Hall. Although they had been confirmed in their posts, the protocol ceremony had not been held yet. Here are Economy and Finance Minister Jorge Camet, Justice Minister Fernando Vega Santagadea, Fisheries Minister Jaime Sobero Taira, and Industry Minister Absalon Vasquez Villanueva.

As we said, the reading of the ministers' respective letters of resignation began a few minutes ago; immediately after, the resolutions confirming their posts will be read. [passage omitted]

Roundup of Economic Developments

PA2202170094

[Editorial Report] The following is a compilation of reports on Peruvian economic developments through 22 February:

Through a decree published in the official government gazette, the Energy and Mines Ministry has officially outlined its agreement to guarantee and promote investments. The agreement's eighth clause indicates that government guarantees will cover 15 years, starting from the date of crediting the investment. Such investments must be approved by the National Mining Directorate. (Lima Radio Programas del Peru Network in Spanish 1800 GMT 9 Feb 94)

The Central Reserve Bank has reported that Peru's net international reserves fluctuate between $1.7 and $1.8 billion. Those figures represent the highest reserve level in recent years, bank officials added. (Lima Global de Television Network in Spanish 0100 GMT 16 Feb 94)